Citadel Capital Company

(Egyptian Joint Stock Company)

Consolidated interim financial statements
for the period ended March 31, 2016
&
Review report

Contents

KPMG

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Review report

To the Board of Directors of Citadel Capital Company

Introduction

We have performed a limited review for the accompanying consolidated statement of financial position of Citadel Capital Company (Egyptian Joint Stock Company) as at March 31, 2016 and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for the three months then ended, and a summary of significant accounting policies and other explanatory notes. The Company's management is responsible for the preparation and fair presentation of these interim financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these consolidated financial statements based on our limited review.

Scope of limited review

We conducted our limited review in accordance with Egyptian Standard on Review Engagements 2410, "Limited Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the Company, and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these consolidated financial statements.

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2016 and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with Egyptian Accounting Standards.

Hassan Bas

KPMG Hazem Hassan

Cairo, July 3, 2016

KPMG Hazem Hassan
Public Accountants and Consultants
1

Consolidated statement of financial position as at 31 March 2016

(in EGP)	Note	31/3/2016	31/12/2015 (*)
Assets			
Non- current assets			
Fixed assets (net)	(5)	4 820 811 472	4 866 770 745
Projects under construction (net)	(6)	20 396 500 062	17 162 443 847
Intangible assets (net)	(7)	1 101 230 065	1 862 436 797
Goodwill (net)	(8)	572 016 336	652 512 569
Biological assets (net)	(9)	197 304 653	196 044 381
Trade and other receivables (net)	(16)	939 522 913	710 407 485
Investment property	(10)	24 000 000	24 000 000
Investments in associates (net)	(11)	774 288 275	893 874 077
Available-for-sale investments (net)	(12)	56 548 065	54 311 317
Payments for investments (net)	(13)	96 419 729	80 997 503
Other investments	(14)	306 942 245	269 800 533
Deferred tax assets	(27)	153 680 258	345 235 009
Total non- current assets		**29 439 264 073**	**27 118 834 263**
Current assets			
Inventories (net)	(15)	956 101 627	1 016 751 852
Biological assets (net)	(9)	30 303 220	25 063 763
Work in process		20 099 213	17 768 790
Investments at fair value through profit or loss	(17)	17 101 123	33 789 381
Due from related parties (net)	(18)	725 052 991	606 398 440
Trade and other receivables (net)	(16)	1 151 880 708	1 167 538 152
Debtors and other debit balances (net)	(19)	1 327 757 391	1 357 762 531
Cash and cash equivalents	(20)	3 308 479 257	3 353 000 479
Assets classified as held-for-sale	(21-1)	4 350 914 216	2 472 860 419
Total current assets		**11 887 689 746**	**10 050 933 807**
Total assets		**41 326 953 819**	**37 169 768 070**

to be continued...

Consolidated statement of financial position as at 31 March 2016 (continued)

(in EGP)	Note	31/3/2016	31/12/2015 (*)
Equity			
Share capital	(23)	9 100 000 000	9 100 000 000
Reserves		523 827 200	346 980 641
Retained losses		(6 916 683 856)	(6 655 942 601)
Total		2 707 143 344	2 791 038 040
Shareholders' credit balances	(24)	-	1 464 311
Equity attributable to owners of the Company		2 707 143 344	2 792 502 351
Non - controlling interests		8 917 096 331	8 149 455 937
Total equity		11 624 239 675	10 941 958 288
Non- current liabilities			
Loans and borrowings	(25)	15 993 946 200	13 671 782 372
Long term liabilities and derivatives	(26)	767 264 594	436 369 089
Loans from related parties	(25)	23 139 358	24 484 249
Deferred tax liabilities	(27)	426 166 508	621 800 554
Total non-current liabilities		17 210 516 660	14 754 436 264
Current liabilities			
Banks overdraft	(28)	320 028 191	508 626 802
Loans and borrowings	(25)	2 795 574 808	2 933 157 562
Loans from related parties	(25)	739 047 711	646 819 327
Due to related parties	(29)	735 165 026	730 606 339
Trade and other payables	(30)	1 678 972 449	2 855 366 230
Creditors and other credit balances	(31)	1 526 574 135	1 472 570 795
Provisions	(32)	668 955 456	620 451 082
Provision for financial guarantees contracts	(33)	-	5 077 970
Liabilities classified as held-for-sale	(21-2)	3 298 509 466	1 011 842 322
Due to Tax Authority		729 370 242	688 855 089
Total current liabilities		12 492 197 484	11 473 373 518
Total liabilities		29 702 714 144	26 227 809 782
Total equity and liabilities		41 326 953 819	37 169 768 070

* Restated - Note (51)

The accompanying notes and accounting policies from page (9) to page (112) are an integral part of these consolidated interim financial statements and are to be read therewith.

Limited review report "attached"

Chairman	Managing Director	Chief Financial Officer
Ahmed Heikal	Hisham Hussein El Khazindar	Moataz Farouk

Consolidated income statement for the period ended 31 March 2016

(in EGP)	Note	For the period ended 31/3/2016	31/3/2015 (*)
Continuing operations			
Operating revenues	(36)	1 731 819 552	1 262 792 362
Operating costs	(37)	(1 463 619 123)	(994 672 960)
Gross profit		268 200 429	268 119 402
Advisory fee	(34)	2 386 455	3 190 255
Administrative expenses	(38)	(260 821 997)	(190 143 706)
Other (expenses) / income	(39)	(36 709 419)	(11 488 389)
Share of loss / profit of investments in associates	(35)	48 271 117	26 710 932
Operating profit		21 326 585	96 388 494
Finance costs - net	(40)	(197 723 477)	(199 997 128)
Loss before tax		(176 396 892)	(103 608 634)
Income tax expense	(41)	(41 769 963)	(20 375 551)
Loss from continuing operations		(218 166 855)	(123 984 185)
Discontinued operations			
Operating revenues		162 212 992	689 922 361
Operating costs		(179 634 792)	(626 085 383)
Share of loss / profit of investment in associate		-	28 839 931
Administrative expenses		(31 335 334)	(82 903 245)
Other (expenses) / income		(6 543 336)	487 021
Finance costs - net		(38 929 684)	(67 056 904)
Results from operating activities		(94 230 154)	(56 796 219)
Income tax expense		-	(20 803 483)
Results from operating activities, net of tax		(94 230 154)	(77 599 702)
Gains (loss) on sale of discontinued operations,net of tax		19 521 712	(10 451 655)
Loss from discontinued operations, net of tax	(22)	(74 708 442)	(88 051 357)
Loss for the period		(292 875 297)	(212 035 542)
Attributable to:			
Owners of the Company		(242 704 107)	(112 160 236)
Non - controlling interests		(50 171 190)	(99 875 306)
		(292 875 297)	(212 035 542)
Earnings per share	(42)	(0.13)	(0.07)

* Restated - Note (51)

The accompanying notes and accounting policies from page (9) to page (112) are an integral part of these consolidated interim financial statements and are to be read therewith.

Consolidated statement of comprehensive income for the period ended 31 March 2016

(in EGP)	For the period ended 31/3/2016	31/3/2015
Loss for the period	(292 875 297)	(212 035 542)
Other comprehensive income items:		
Items that are or may be reclassified to profit or loss		
Foreign operations - foreign currency translation differences	403 884 378	301 576 101
Available-for-sale - net change in fair value	-	(87 663)
Change in the fair value of hedge reserve-swap contract	(53 148 905)	(39 692 866)
Other comprehensive income, net of tax	350 735 473	261 795 572
Total comprehensive income	57 860 176	49 760 030
Total comprehensive income attributable to :		
Owners of the Company	(65 857 548)	41 568 830
Non-controlling interests	123 717 724	8 191 200
	57 860 176	49 760 030

The accompanying notes and accounting policies from page (9) to page (112) are an integral part of these consolidated interim financial statements and are to be read therewith.

Consolidated statement of changes in equity for the period ended 31 March 2016

(in EGP)	Share capital	Reserves						Retained loss	Shareholders' credit balances	Total	Non - controlling interests	Total equity
		Legal reserve	Fair value reserve - AFS	F.C. translation reserve	Company's share of changes in associates' equity	Change in the fair value of hedge reserve-swap contract	Notional contribution capital					
Balance as at December 31, 2014 (as previously issued)	8 000 000 000	89 578 478	(581 020)	446 559 328	(75 655 628)	(37 306 310)	-	(5 795 511 669)	836 842 865	3 463 926 044	8 419 273 206	11 883 199 250
Adjustments	-	-	-	-	-	-	-	(9 128 552)	-	(9 128 552)	(11 148 243)	(20 276 795)
Balance as at December 31, 2014 (after adjustments)	8 000 000 000	89 578 478	(581 020)	446 559 328	(75 655 628)	(37 306 310)	-	(5 804 640 221)	836 842 865	3 454 797 492	8 408 124 963	11 862 922 455
Total Compehensive Income												
Losses for the period ended 31 March 2015	-	-	-	-	-	-	-	(112 160 236)	-	(112 160 236)	(99 875 306)	(212 035 542)
Other Compehensive Income	-	-	(87 663)	193 509 595	-	(39 692 866)	-	-	-	153 729 066	108 066 506	261 795 572
Total Compehensive Income	-	-	(87 663)	193 509 595	-	(39 692 866)	-	(112 160 236)	-	41 568 830	8 191 200	49 760 030
Transactions with owners of the company												
Board of directors and employees profit share	-	-	-	-	-	-	-	(4 383 110)	-	(4 383 110)	(2 704 485)	(7 087 595)
Acquisition of non - controlling interests without change in control	-	-	-	-	-	-	2 962 580	-	-	2 962 580	-	2 962 580
Notional contribution capital	-	-	-	-	-	-	-	(39 445 092)	-	(39 445 092)	-	(39 445 092)
Company's share in changes of associates' equity	-	-	-	-	-	-	-	2 916 255	-	2 916 255	-	2 916 255
Share base payment	-	-	-	-	-	-	-	(2 959 962)	-	(2 959 962)	-	(2 959 962)
Transactions with shareholders of the company	-	-	-	-	-	-	-	-	131 671 391	131 671 391	-	131 671 391
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(231 880 499)	(231 880 499)
Balance as at March 31, 2015	8 000 000 000	89 578 478	(668 683)	640 068 923	(75 655 628)	(76 999 176)	2 962 580	(5 960 672 366)	968 514 256	3 587 128 384	8 181 731 179	11 768 859 563

The accompanying notes and accounting policies from page (9) to page (112) are an integral part of these consolidated interim financial statements and are to be read therewith.

Consolidated statement of changes in equity for the period ended 31 March 2016 (Continued)

(in EGP)	Share capital	Reserves					Retained loss	Shareholders' credit balances	Total	Non - controlling interests	Total equity
		Legal reserve	Fair value reserve - AFS	F.C. translation reserve	Company's share of changes in associates' equity	Change in the fair value of hedge reserve-swap contract					
Balance as at December 31, 2015 (as previously issued)	9 100 000 000	89 578 478	(976 696)	369 449 580	(77 428 646)	(33 642 075)	(6 650 504 492)	1 464 311	2 797 940 460	8 152 325 712	10 950 266 172
Adjustments	-	-	-	-	-	-	(5 438 109)	-	(5 438 109)	(2 869 775)	(8 307 884)
Balance as at December 31, 2015 (after adjustments)	9 100 000 000	89 578 478	(976 696)	369 449 580	(77 428 646)	(33 642 075)	(6 655 942 601)	1 464 311	2 792 502 351	8 149 455 937	10 941 958 288
Total compehensive income											
Losses for the period ended 31 March 2016	-	-	-	-	-	-	(242 704 107)	-	(242 704 107)	(50 171 190)	(292 875 297)
Other Compehensive Income	-	-	-	229 995 464	-	(53 148 905)	-	-	176 846 559	173 888 914	350 735 473
Total compehensive income	-	-	-	229 995 464	-	(53 148 905)	(242 704 107)	-	(65 857 548)	123 717 724	57 860 176
Transactions with owners of the company											
Board of directors and employees profit share	-	-	-	-	-	-	(18 733 317)	-	(18 733 317)	(6 253 211)	(24 986 528)
Acquisition of non - controlling interests without change in control	-	-	-	-	-	-	696 169	-	696 169	(696 169)	-
Reclassification of shareholders' credit balances	-	-	-	-	-	-	-	(1 464 311)	(1 464 311)	-	(1 464 311)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	650 872 050	650 872 050
Balance as at March 31, 2016	9 100 000 000	89 578 478	(976 696)	599 445 044	(77 428 646)	(86 790 980)	(6 916 683 856)	-	2 707 143 344	8 917 096 331	11 624 239 675

The accompanying notes and accounting policies from page (9) to page (112) are an integral part of these consolidated interim financial statements and are to be read therewith.

Consolidated statement of cash flows for the period ended 31 March 2016

(in EGP)	for the period ended 31/3/2016	31/3/2015
Cash flows from operating activities		
Loss before income tax	(176 396 892)	(103 608 634)
Adjustments :		
Loss from discontinued operations,net of tax	(74 708 442)	(88 051 357)
(Gains) loss on sale of discontinued operations,net of tax	(19 521 712)	10 451 655
Depreciation and amortization	104 452 385	101 229 730
Company's share of profit / (loss) of equity - accounted investees	(48 271 117)	(26 710 932)
Net change in the fair value of investments at fair value through profit or loss	115 050	220 680
Foreign currency translation differences	317 812 960	213 213 370
Loss from foreign currencies exchange differences	73 748 223	73 852 178
Interest income	(8 213 676)	(8 492 870)
(Gains) loss on sale of fixed and biological assets	(414 927)	1 933 778
Gain from financial guarantee contracts	-	(959 251)
Interest expenses	189 894 291	161 856 225
Provisions formed	48 154 920	28 857 880
Impairment on assets	3 706 104	4 117 706
Decrease in inventory	(735 327)	-
Provisions no longer needed	(2 115 645)	(553 702)
Provision used	(16 843 358)	(26 974 370)
Income tax paid	(208 204)	(18 226)
Operating profit before changes in working capital	390 454 633	340 363 860
Change in :		
Assets		
Inventories	(286 199)	(65 765 798)
Biological assets	-	237 298
Work in process	(236 713)	11 310 194
Investments at fair value through profit or loss	18 498 862	(102 413 421)
Due from related parties	(106 016 041)	(521 392 284)
Trade and other receivables	(176 709 562)	71 861 336
Debtors and other debit balances	(57 721 323)	(91 796 640)
Liabilities		
Due to related parties	(109 911 420)	224 123 573
Trade and other payables	(1 430 713 137)	(170 563 260)
Creditors, other credit balances and long term liabilities	126 258 376	371 532 919
Discontinued operations	56 286 760	333 354
Net cash (used in) provided from operating activities	(1 290 095 764)	67 831 131

to be continued...

The accompanying notes and accounting policies from page (9) to page (112) are an integral part of these consolidated interim financial statements and are to be read therewith.

Consolidated statement of cash flows for the period ended 31 March 2016 (continued)

	for the period ended	
(in EGP)	**31/3/2016**	**31/3/2015**
Cash flows from investing activities		
Purchase of fixed assets and projects under construction	(336 239 458)	(92 247 819)
Proceeds from sale of fixed assets and projects under construction	8 977 166	6 498 315
Purchase of biological assets	(14 249 480)	(12 023 673)
Proceeds from sale of biological assets	6 078 622	7 228 347
(purchase of) / proceeds from intangible assets	(210 874)	17 450 311
(Payments for) / proceeds from sale of assets classified as held for sale	(81 042 557)	11 149 332
Payments for loans to related parties	(95 880 771)	-
Payments for investments	(15 000 003)	-
Proceeds from other investments	196 696	894 799
Interest received	14 906 299	1 946 996
Net cash used in investing activities	(512 464 360)	(59 103 392)
Cash flows from financing activities		
Payments of shareholders' credit balances	-	(23 546 580)
Proceeds from loans	1 676 320 621	118 446 008
Payments for loans	(99 823 097)	(232 454 056)
(Payments for) / proceeds from banks overdraft	(26 593 736)	37 759 908
Proceeds from non-controlling interests	519 198 227	15 838 521
Dividends payout	(24 079 305)	(10 508 361)
Interest paid	(70 531 341)	(77 398 234)
Net cash provided from (used in) financing activities	1 974 491 369	(171 862 794)
Net changes in cash and cash equivalents during the period	171 931 245	(163 135 055)
Assets held for sale	4 063 133	-
Deconsolidation of subsidiaries	(41 783 030)	(2 809 332)
Cash and cash equivalents at the beginning of the period - (Note 20)	3 174 267 909	2 211 367 741
Cash and cash equivalents at the end of the period - (Note 20)	3 308 479 257	2 045 423 354

The accompanying notes and accounting policies from page (9) to page (112) are an integral part of these consolidated interim financial statements and are to be read therewith.

1. Company background

1.1 Legal status and activity

Citadel Capital Company - an Egyptian Joint Stock Company - was founded in accordance with the applicable Egyptian laws and in pursuance to law no. (159) of 1981 and its executive regulations. The Company has been registered in the commercial register at Giza under number 11121 on April 13, 2004.

1.2 Purposes of the company

- The Company's basic activity extends to the region of the Middle East and north East Africa, especially Egypt, Algeria, Libya, Syria and Sudan. The purpose of the Company is represented as follows:
  - Providing consultancy in financial and financing fields for different companies and preparing and presenting the feasibility studies in the economical, technological, engineering, marketing, financing, management, borrowing contracts arrangements fields and financing studies in addition to preparing and presenting studies and consultancy regarding projects' promotion and offering the necessary technical support in different fields except legal consultancy.
  - Working as an agent in contracting and negotiation in different fields and steps especially negotiation in the management contracts, participation and technical support.
  - Managing, executing and restructuring of projects.
- On October 20, 2013 the extra-ordinary general assembly has agreed on amending the statute of the Company in accordance with the Capital Market Law and its executive regulations on the basis that the Company is involved in establishing other companies and participating in the capital increases of other companies pursuant to the provision of article no. (27) of the Capital Market Law and article no.(122) of its executive regulations, provided that required legal procedures for amending the statute of the company will take place after completing the required legal procedures for the aforementioned capital increase.
- The company will be known as "Qalaa Holdings" in the English language. Qalaa has been the firm's Arabic name since it was founded in 2004. Subsequently to the successful completion of the capital increase, the company has transformed its business model from being a private equity company to an investment company with a focus on business segments of energy, cement, agrifoods, transportation & logistics, and mining. The required procedures to amend the Company's commercial register are taking place.

1.3 Registered headquarters

The Company performs its activities from its branch located on 1089 Nile Corniche, Four Season Nile Plaza – Garden City, Cairo.

1.4 Frame work

The consolidated financial statements of the Company for the period ended March 31, 2016 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates.

2. Basis of preparation

2.1 Statement of compliance

The consolidated interim financial statements have been prepared in accordance with the Egyptian Accounting Standards and applicable laws and regulations.

2-2 Authorization of the financial statements

The consolidated interim financial statements were authorized for issue in accordance with a resolution of the board of directors on July 3, 2016.

3. Functional and presentation currency

These consolidated interim financial statements are presented in Egyptian Pound, which is the Company's functional currency.

4. Use of estimate and judgements

In preparing these consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

- Estimates and assumptions about them are re-viewed on regular basis.
- The change in accounting estimates is recognized in the period where the estimate is changed whether the change affects only that period, or in the period of change and the future periods if the change affects them both.

4-1 Fair value measurement

- The fair value of financial instruments are determined based on the market value of the financial instrument or similar financial instruments at the date of the financial statements without deducting any estimated future selling costs.
- The value of financial assets are determined by the values of the current purchase prices for those assets, while the value of financial liabilities is determined by the current prices that can be settled by those liabilities.
- In the absence of an active market to determine the fair value of financial instruments, the fair value is estimated using various valuation techniques, taking into consideration the prices of the transactions occurred recently, and guided by the current fair value of other similar tools substantially - discounted cash flow method - or any other evaluation method to get resulting values that can rely on.
- When using the discounted cash flow method as a way to evaluate, the future cash flows are estimated based on the best estimates of management. And the discount rate used is determined in the light of the prevailing market price at the date of the financial statements that are similar in nature and conditions.

(In the notes all amounts are shown in EGP unless otherwise stated)

5. Fixed assets (net)

For the period ended March 31, 2016

	Land	Buildings	Lease hold improvements	Machinery, equipment and tools	Furniture, fixtures and electric	Computer equipment	Transportation means and barges	Total
Balance as at 1/1/2016	1 363 794 048	1 142 105 420	113 288 302	3 567 238 972	240 843 329	58 298 154	538 335 186	7 023 903 411
Additions ***	200 120	3 093 840	1 497 307	9 075 326	3 906 275	1 140 619	2 125 292	21 038 779
Transferred to assets held for sale (Note 21.1)	--	(5 370 588)	(25 621 664)	(277 911 032)	(11 441 000)	(25 639 512)	(7 905 118)	(353 888 914)
Transferred from assets held for sale**	--	--	9 142 636	309 134	1 725 462	451 563	975 200	12 603 995
Disposals (Note 21)	--	(1 559 554)	--	(6 431 592)	(18 555 650)	(8 198)	(2 824 381)	(29 379 375)
Foreign currency translation differences	54 671 007	28 277 849	6 155 559	282 331 225	(404 973)	(1 607 315)	15 767 127	385 190 479
Total cost as at 31/3/2016	1 418 665 175	1 166 546 967	104 462 140	3 574 612 033	216 073 443	32 635 311	546 473 306	7 059 468 375
Accumulated depreciation and impairment as at 1/1/2016	143 596	251 487 294	41 761 595	1 395 785 718	207 139 343	46 983 154	213 831 966	2 157 132 666
Adjustments on the beginning balance	--	--	--	817 972	(10 100 150)	--	--	(9 282 178)
Depreciation for the period*	17 283	11 324 571	2 739 168	60 064 947	3 069 404	733 997	7 796 167	85 745 537
Transferred to assets held for sale (Note 21.1)	--	(892 420)	(20 676 303)	(36 394 663)	(6 671 731)	(20 016 260)	(5 026 394)	(89 677 771)
Transferred from assets held for sale**	--	--	6 661 792	306 636	1 725 459	451 562	975 200	10 120 649
Accumulated depreciation of disposals (Note 21)	--	(125 254)	--	(6 078 521)	(8 129 759)	(8 195)	(2 403 519)	(16 745 248)
Foreign currency translation differences	51 067	7 779 200	1 101 347	89 260 456	1 504 519	(1 070 277)	2 736 936	101 363 248
Accumulated depreciation as at 31/3/2016	211 946	269 573 391	31 587 599	1 503 762 545	188 537 085	27 073 981	217 910 356	2 238 656 903
Carrying amounts								
At 31/3/2016	1 418 453 229	896 973 576	72 874 541	2 070 849 488	27 536 358	5 561 330	328 562 950	4 820 811 472
At 31/12/2015	1 363 650 452	890 618 126	71 526 707	2 171 453 254	33 703 986	11 315 000	324 503 220	4 866 770 745

Citadel Capital Company
Notes to the consolidated interim financial statements
for the period ended March 31, 2016
(In the notes all amounts are shown in EGP unless otherwise stated)

For the period ended March 31, 2015

	Land	Buildings	Lease hold improvements	Machinery , equipment and tools	Furniture & fixtures	Computer equipment	Transportation means and barges	Total
Balance as at 1/1/2015	1 413 488 920	1 418 326 164	104 736 708	3 758 604 639	261 764 912	41 931 222	521 815 260	7 520 667 825
Adjustments on the beginning balance	--	(84 985)	--	330 655	(245 670)	--	--	--
Additions	--	5 115 944	1 078 314	47 256 505	1 800 867	607 354	5 716 802	61 575 786
Transferred to assets held for sale	(5 985 000)	--	--	--	--	--	--	(5 985 000)
Disposals	--	(710 782)	--	(336 005)	(214 264)	(6 098)	(1 589 728)	(2 856 877)
Foreign currency translation differences	20 202 666	5 194 790	1 569 059	63 515 022	1 726 507	943 106	6 388 825	99 539 975
Total cost as at 31/3/2015	1 427 706 586	1 427 841 131	107 384 081	3 869 370 816	264 832 352	43 475 584	532 331 159	7 672 941 709
Accumulated depreciation and impairment as at 1/1/2015	303 898	241 056 830	33 476 770	1 002 520 235	204 165 231	33 916 732	168 663 862	1 684 103 558
Adjustments on the beginning balance	--	--	--	214 760	(214 760)	--	--	--
Depreciation for the period	7 569	14 268 296	1 988 907	47 993 881	4 935 341	1 098 817	8 620 121	78 912 932
Accumulated depreciation of disposals	--	(184 601)	--	(336 005)	(212 900)	(3 314)	(1 226 243)	(1 963 063)
Foreign currency translation differences	17 469	1 834 346	457 974	12 455 442	1 014 410	877 301	967 513	17 624 455
Accumulated depreciation as at 31/3/2015	328 936	256 974 871	35 923 651	1 062 848 313	209 687 322	35 889 536	177 025 253	1 778 677 882
Carrying amounts								
At 31/3/2015	1 427 377 650	1 170 866 260	71 460 430	2 806 522 503	55 145 030	7 586 048	355 305 906	5 894 263 827

(In the notes all amounts are shown in EGP unless otherwise stated)

* Administrative depreciation for the period has been recognized in administrative expenses (Note 38) and operating depreciation has been recognized in operating costs (Note 37).

** Represents disposal group assets related to Bright Living Company. (one of the subsidiaries in the real estate segment).

*** Additions include the amount transferred from project under construction (Note 6).

6. Projects under construction (net)

6.1 Projects under construction balance represented in the following:

	31/3/2016	31/12/2015
Balance at the beginning of the period / year	17 256 174 739	11 927 228 869
Adjustments	--	(88 770 442)
Acquisition of subsidiaries	--	18 264 896
Disposals of the period / year	(2 510 785)	(317 475 317)
Transfer to assets held for sale (Note 21.1)	(13 633 855)	(188 539 627)
Additions of the period / year	855 190 379	4 934 982 149
Transferred to fixed assets (Note 5)	(3 682 784)	(131 021 810)
Foreign currency translation differences	2 411 551 215	1 101 506 021
Balance	20 503 088 909	17 256 174 739
Accumulated impairment in value	(106 588 847)	(93 730 892)
Net	20 396 500 062	17 162 443 847

6.2 The Group projects under construction are represented in:

	31/3/2016	31/12/2015
Agriculture and food sector	144 834 938	124 353 800
Energy sector *	20 073 078 754	16 847 265 279
Transportation and logistics sector	38 298 735	69 503 038
Cement sector	87 269 876	73 444 088
Financial services sector	32 221 319	29 080 396
Mining sector	20 796 440	18 797 246
Total	20 396 500 062	17 162 443 847

* Projects under construction - Energy sector include an amount of EGP 20 025 253 654 as at March 31, 2016 against an amount of EGP 16 837 704 055 as at December 31, 2015 which represents the projects of ERC Company- subsidiary.

(In the notes all amounts are shown in EGP unless otherwise stated)

7. Intangible assets (net)

	Note	31/3/2016	31/12/2015
Software	(7-1)	13 079 169	13 151 204
Concession	(7-2)	--	792 230 640
Exploration and valuation assets	(7-3)	277 808 202	246 288 076
Trade name	(7-4)	346 210 520	346 210 520
Customer contracts	(7-5)	461 637 000	461 637 000
Other intangible assets	(7-6)	2 495 174	2 919 357
Balance		1 101 230 065	1 862 436 797

7.1 Software

	31/3/2016	31/12/2015
Cost at the beginning of the period / year	59 044 102	51 841 773
Additions of the period / year	210 872	3 582 517
Disposals of the period / year	(200 705)	(190 958)
Transferred to assets held for sale	(24 232 831)	--
Foreign currency translation differences	5 132 491	3 810 770
Cost at the end of the period / year	39 953 929	59 044 102
Accumulated amortization at the beginning of the period / year	(45 892 898)	(35 813 479)
Amortization for the period / year	(191 790)	(5 777 840)
Transferred to assets held for sale	23 989 483	--
Foreign currency translation differences	(4 779 555)	(4 301 579)
Accumulated amortization at the end of the period / year	(26 874 760)	(45 892 898)
Net	13 079 169	13 151 204

(In the notes all amounts are shown in EGP unless otherwise stated)

7.2 Concession

	31/3/2016	31/12/2015
Cost at the beginning of the period / year	966 882 501	829 321 993
Additions of the period / year	--	104 991 901
Foreign currency translation differences	123 414 653	32 568 607
Transferred to assets held for sale	(1 090 297 154)	--
Cost at the end of the period / year	--	966 882 501
Accumulated amortization at the beginning of the period / year	(174 651 861)	(98 026 228)
Amortization for the period / year	(12 499 182)	(46 865 713)
Foreign currency translation differences	6 004 728	(29 759 920)
Transferred to assets held for sale	181 146 315	--
Accumulated amortization at the end of the period / year	--	(174 651 861)
Net	--	792 230 640

7.3 Exploration and valuation assets

7.3.1 Site preparation expenses

	31/3/2016	31/12/2015
Cost at the beginning of the period / year	463 588	--
Acquisition of subsidiaries	--	456 786
Amortization for the period / year	--	(231 359)
Foreign currency translation differences	141 309	238 161
Balance	604 897	463 588

7.3.2 Search and exploration expenses

	31/3/2016	31/12/2015
Cost at the beginning of the period / year	234 391 228	--
Acquisition of subsidiaries	--	220 137 282
Additions of the period / year	6 202 908	10 966 330
Foreign currency translation differences	24 074 436	3 287 616
Balance	264 668 572	234 391 228

(In the notes all amounts are shown in EGP unless otherwise stated)

7.3.3 License

	31/3/2016	31/12/2015
Cost at the beginning of the period / year	14 953 666	--
Acquisition of subsidiaries	--	16 006 690
Amortization for the period / year	(20 326)	(27 352)
Foreign currency translation differences	1 684 288	(1 025 672)
Balance	16 617 628	14 953 666
Total	281 891 097	249 808 482
Accumulated impairment *	(4 082 895)	(3 520 406)
Net	277 808 202	246 288 076

*Accumulated impairment		
Accumulated impairment at the beginning of the period / year	3 520 406	--
Acquisition of subsidiaries	--	6 707 064
Reversal of impairment during the period / year	--	(376 641)
Foreign currency translation differences	562 489	(2 810 017)
Balance	4 082 895	3 520 406

7.4 Trade mark

	31/3/2016	31/12/2015
Silverstone Capital Investment Ltd. Group	108 279 000	108 279 000
Falcon for Agricultural Investments Ltd. *	129 485 000	129 485 000
National Development and Trading Company *	246 277 987	246 277 987
Total	484 041 987	484 041 987
Impairment *	(137 831 467)	(137 831 467)
Net	346 210 520	346 210 520

7.5 Customer contracts

	31/3/2016	31/12/2015
Global for Energy (Distribution)	92 709 000	92 709 000
Global for Energy (Generation)	76 357 000	76 357 000
Gas & Energy Company (Genco Group)	292 571 000	292 571 000
Balance	461 637 000	461 637 000

(In the notes all amounts are shown in EGP unless otherwise stated)

7.6 Other intangible assets

	31/3/2016	31/12/2015
Payment for waiving of the license to establish a black cement factory for ASEC Syria	2 037 674	2 384 079
Compensation paid for project workers	457 500	535 278
Net	2 495 174	2 919 357

8. Goodwill (net)

	Balance as at 1/1/2016	Foreign currency translation differences	Transferred to assets held for sale	Balance as at 31/3/2016
National Development and Trading Group	143 299 628	--	(81 058 922)	62 240 706
Citadel Capital Transportation Opportunities Ltd.- Group – BVI	179 739 380	--	--	179 739 380
Falcon for Agriculture Investments Ltd.- Group - BVI	281 157 503	--	--	281 157 503
ASEC for mining (ASCOM) *	2 711 518	--	--	2 711 518
Silverstone Capital Investment Ltd. Group	12 993 229	562 689	--	13 555 918
Tawazon for Solid Waste Management (Tawazon)	32 611 311	--	--	32 611 311
Balance	652 512 569	562 689	(81 058 922)	572 016 336

* The acquired company's financial statements have been consolidated based on the book value of the identifiable assets and liabilities, The Company has a grace period of 12 months ending June 2016 for preparing Purchase Price Allocation (PPA) study to determine the fair value of the identifiable assets and liabilities according to the Egyptian Accounting Standards. The Company is in the process of determining this fair value exercise and adjust accordingly.

(In the notes all amounts are shown in EGP unless otherwise stated)

9. Biological assets (net)

	Note	31/3/2016	31/12/2015
Non-current			
Fruitful fruit gardens and orchards	(9.1)	6 962 081	4 661 225
Fruitless fruit gardens and orchards	(9.2)	2 814 637	5 318 485
Pregnant heifer, dry and dairy cows	(9.3)	106 380 908	110 123 996
Heifers	(9.4)	81 147 027	75 940 675
		197 304 653	196 044 381
Current			
Plants (cotton , corn , sun flower)		1 241 800	1 092 000
Others		29 061 420	23 971 763
		30 303 220	25 063 763
Balance		227 607 873	221 108 144

9.1 Fruitful fruit gardens and orchards

	31/3/2016	31/12/2015
Costs		
Balance at the beginning of the period / year	10 028 124	8 681 337
Transferred from fruitless fruit gardens and orchards	2 411 365	1 346 787
Foreign currency translation differences	234 952	--
	12 674 441	10 028 124
Accumulated depreciation		
Balance at the beginning of the period / year	5 366 899	4 044 655
Depreciation for the period / year	314 797	1 303 601
Foreign currency translation differences	30 664	18 643
	5 712 360	5 366 899
Net	6 962 081	4 661 225

9.2 Fruitless fruit gardens and orchards

	31/3/2016	31/12/2015
Costs		
Balance at the beginning of the period / year	5 318 485	8 160 938
Additions of the period / year	129 820	1 122 271
Disposals of the period / year	--	(2 719 961)
Transferred to fruitful fruit gardens and orchards	(2 411 365)	(1 346 787)
Foreign currency translation differences	(222 303)	102 024
Balance	2 814 637	5 318 485

(In the notes all amounts are shown in EGP unless otherwise stated)

9.3 Pregnant heifer, dry and dairy cows

	31/3/2016	31/12/2015
Costs		
Balance at the beginning of the period / year	179 534 550	159 723 914
Transferred from heifers	8 481 848	57 785 668
Foreign currency translation differences	(170 647)	--
Disposals for the period / year	(10 233 261)	(37 975 032)
	177 612 490	179 534 550
Accumulated depreciation		
Balance at the beginning of the period / year	69 410 554	61 015 111
Depreciation for the period /year	5 680 753	22 048 299
Disposals of the period / year	(4 021 399)	(13 771 252)
Foreign currency translation differences	161 674	118 396
	71 231 582	69 410 554
Net	106 380 908	110 123 996

9.4 Heifers

	31/3/2016	31/12/2015
Costs		
Balance at the beginning of the period / year	75 940 675	77 536 388
Additions of the period / year	13 691 076	57 069 074
Transferred to pregnant heifer, dry and dairy cows	(8 481 848)	(57 785 668)
Disposals of the period / year	(465 107)	(1 695 447)
Foreign currency translation differences	462 231	816 328
Balance	81 147 027	75 940 675

10. Investment property

	31/3/2016	31/12/2015
Land *	24 000 000	24 000 000

* Investment property balance represents the book value of the two plots in Smart Village.

(In the notes all amounts are shown in EGP unless otherwise stated)

11. Investments in associates (net)

11.1 The Group investments in associates (equity-accounted investees) are represented in:

	Percentage		Carrying amounts	
	2016	2015	31/3/2016	31/12/2015
	%	%		
El Kateb for Marketing & Distribution Co.	48.88	48.88	1 459 862	1 304 723
El Sharq Book Stores Co.	40.00	40.00	13 743 256	13 785 001
Dar El-Sherouk Ltd. *	58.51	58.51	127 464 811	127 869 996
Mena Glass Ltd.	47.64	47.64	302 200 809	434 014 696
Soiete Des Ciments De Zahana	35.00	35.00	418 568 840	407 218 685
Ostool for Land Transportation S.A.E.	45.00	45.00	10 850 697	9 680 976
Total			874 288 275	993 874 077
Impairment			(100 000 000)	(100 000 000)
Net			774 288 275	893 874 077

* The Company does not consolidate this company as the control does not exist as the company has no power to govern the financial and operational policies of this company according to the shareholders' signed agreements.

(In the notes all amounts are shown in EGP unless otherwise stated)

11.2 Summary of significant financial statements of associates

	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Revenues	Expenses
31/3/2016								
El Kateb for Marketing & Distribution Co.	9 655 579	9 184 491	18 840 070	9 448 242	127 540	9 575 782	2 980 681	2 660 386
Soiete Des Ciments De Zahana	170 478 155	850 790 880	1 021 269 035	150 424 850	240 405 117	390 829 967	164 561 932	126 525 466
El Sharq Book Stores Co.	11 175 211	3 397 508	14 572 719	5 726 159	220 697	5 946 856	6 258 579	6 362 939
Dar El-Sherouk Ltd.	127 297 415	120 986 851	248 284 266	102 044 836	5 975 576	108 020 412	10 851 307	11 026 653
Mena Glass Ltd. *	604 833 991	--	604 833 991	84 737 620	--	84 737 620	71 750 583	706 370

- Note (35).

* Note (22.1).

(In the notes all amounts are shown in EGP unless otherwise stated)

12. Available-for-sale investments (net)

	31/3/2016	31/12/2015
Logria Holding Ltd. *	576 550 000	507 000 000
Golden Crescent Investment Ltd. *	562 069 725	494 266 500
EFG Capital Partners Fund II & III	23 705 289	23 705 289
Sphinx Turnaround	31 907 865	28 058 776
Modern Company for Isolating Materials	43 396	43 396
MEFEK Co. *	872 388	872 388
ASEC Automation Co. - Free Zone	116 300	116 300
Med Grid	--	1 610 411
Ecligo Design Ltd.	1 000	1 000
Sharming Sharm	701 209	700 207
Medcom National Company	1 000	1 000
Cayman Resources *	31 331 774	31 331 774
Total	1 227 299 946	1 087 707 041
Accumulated impairment *	(1 170 751 881)	(1 033 395 724)
Net	56 548 065	54 311 317

* Accumulated impairment in available-for-sale investments of the Company is represented in:

	Balance as at 1/1/2016	Foreign currency translation differences	Formed during the period**	Balance as at 31/3/2016
Logria Holding Ltd.	507 000 000	69 550 000	--	576 550 000
Golden Crescent Investment Ltd.	494 266 500	67 803 225	--	562 069 725
MEFEK Co.	872 388	--	--	872 388
Cayman Resources	31 256 836	--	2 932	31 259 768
Balance	1 033 395 724	137 353 225	2 932	1 170 751 881

** Note (39).

(In the notes all amounts are shown in EGP unless otherwise stated)

13. Payments for investments (net)

	31/3/2016	31/12/2015
Nile Valley Petroleum Ltd. *	66 386 859	58 378 523
Citadel Capital Al Qalaa – Saudi Arabia	1 282 620	1 127 896
National Development and Trading Co. (IRAQ) Ltd. *	300 514	300 514
ASA International Co.	1 432 409	1 432 409
Golden Crescent Investment Ltd.	2 217 500	1 950 000
Others **	91 487 200	76 487 198
Total	163 107 102	139 676 540
Accumulated impairment *	(66 687 373)	(58 679 037)
Net	96 419 729	80 997 503

* Accumulated impairment in payments for investments of the Company is represented in:

	Balance as at 1/1/2016	Foreign currency translation differences	Balance as at 31/3/2016
National Development and Trading Co. (IRAQ) Ltd.	300 514	--	300 514
Nile Valley Petroleum Ltd.	58 378 523	8 008 336	66 386 859
Balance	58 679 037	8 008 336	66 687 373

** Represent payments for investments in strategic and specialized sectors such as, Energy, Mining and Cement and Nutrition.

14. Other investments

	Note	31/3/2016	31/12/2015
Restricted cash	(14-1)	298 689 045	262 776 657
Others	(14-2)	8 253 200	7 023 876
Balance		306 942 245	269 800 533

14-1 Restricted cash as at March 31, 2016 includes an amount of EGP 239 996 371 (equivalent to US.$ 27 057 088) versus an amount of EGP 210 974 338 (equivalent to US.$ 27 047 992) as at December 31, 2015 which represents the amount deposited at the bank under capital increase of Orient Investment Properties Ltd. (subsidiary).

14-2 Others represent an amount of EGP 8 253 200 as at March 31, 2016 versus EGP 6 954 870 as at December 31, 2015 which represent deposits at Syria Central Bank as a guarantee for the seriousness of constructing ASEC Syria Cement Capital Factory and will be refunded at the beginning of production process.

(In the notes all amounts are shown in EGP unless otherwise stated)

15. Inventories (net)

	31/3/2016	31/12/2015
Spare parts	346 277 262	429 180 253
Raw materials	277 175 916	289 890 958
Work in process	103 539 674	115 069 764
Finished goods	114 673 993	108 438 100
Goods in-transit	46 562 017	2 610 658
Packing materials	3 432 374	2 698 314
Oil and lubricants	74 776 531	80 766 014
Others	17 846 103	17 015 361
Total	984 283 870	1 045 669 422
Less : Inventories write-down	(28 182 243)	(28 917 570)
Net	956 101 627	1 016 751 852

16. Trade and other receivables (net)

	31/3/2016	31/12/2015
Non-current		
Accounts receivables	5 111 444	6 835 093
Gas consumption deposits	137 559 331	86 625 685
Egyptian General Petroleum Corp.*	578 584 822	431 569 359
Receivables-sale of investment **	133 221 845	114 655 848
Others	85 045 471	70 721 500
Total	939 522 913	710 407 485
Current		
Accounts receivables	1 211 686 096	1 231 806 499
Notes receivables	49 472 974	36 988 335
Receivables-sale of investment ***	18 606 724	17 102 289
Total	1 279 765 794	1 285 897 123
Accumulated impairment	(127 885 086)	(118 358 971)
Net	1 151 880 708	1 167 538 152
Balance	2 091 403 621	1 877 945 637

(In the notes all amounts are shown in EGP unless otherwise stated)

* The balance represents the amount paid on behalf of Egyptian General Petroleum Corp. in the share capital of Egyptian Refining Company – S.A.E. – Private Free Zone Company - subsidiary.

** The amount represents the accrued consideration from sale of investments. As United Foundaries Company decided to sell its entire share interest in Alexandria for Car Foundries and Amreya Metal Company according to Extraordinary General Assembly meetings on November 23, 2014. On December 11, 2014 the company sold its entire share interest according to the signed sale agreement.

*** The amount represents the remaining amount from sale of investments in Pharos Holding Company according to the signed sale agreement.

17. Investments at fair value through profit or loss

	31/3/2016	**31/12/2015**
Modern Shorouk for Printing Co.	1 185 540	1 130 009
Osoul investment fund certificates – CIB	7 684 365	810 966
HSBC investment fund certificates	2 291 804	2 241 533
Blom Bank investment fund certificates	--	43 430
Bank Audi investment fund certificates	5 939 414	15 602 129
National Bank of Egypt investment fund certificates	--	13 961 314
Balance	17 101 123	33 789 381

(In the notes all amounts are shown in EGP unless otherwise stated)

18. Due from related parties (net)

	Nature of transaction		31/3/2016	31/12/2015
	Advisory fee	Finance		
Citadel Capital Partners*	--	6 998 526	6 998 526	--
Logria Holding Ltd. **	--	54 253 603	54 253 603	48 023 235
Golden Crescent Investment Ltd. **	33 841 268	--	33 841 268	29 758 950
Golden Crescent Finco Ltd. **	--	260 150 350	260 150 350	228 402 049
Emerald Financial Services Ltd. **	--	291 204 548	291 204 548	254 388 857
Nile Valley Petroleum Ltd. **	--	191 145 689	191 145 689	168 055 462
Citadel Capital East Africa	--	33 529	33 529	29 484
Citadel Capital ALQALAA -Saudi Arabia	--	799 418	799 418	738 223
El Kateb for Marketing & Distribution Co.	--	1 001 673	1 001 673	1 001 673
Nahda	--	7 276 522	7 276 522	5 029 838
Egyptian Company for international Publication	--	22 012 855	22 012 855	21 012 855
Ecligo	--	2 000 000	2 000 000	2 000 000
Soite Des Ciments De Zahana	--	1 587 345	1 587 345	3 478 394
ASEC Electrical Repairs Co. (REPELCO) **	--	526 236	526 236	526 236
Egyptian Polypropylene Bags Co. (EPBC)	--	20 000	20 000	20 000
ASA International Co.	--	18 986 769	18 986 769	11 116 331
Haider	--	35 793	35 793	145 754
FL Smith	--	5 097 164	5 097 164	4 335 046
Scimitar Production Egypt Ltd.	2 391 929	--	2 391 929	12 696 910
Grandview Investment Holding	--	158 853	158 853	1 559 407
Others	--	31 542 238	31 542 238	1 512 053
Total			931 064 308	793 830 757
Accumulated impairment **			(831 121 694)	(729 154 789)
Net			99 942 614	64 675 968
Due from shareholders:				
Benu One Ltd.	--	516 335 029	516 335 029	468 527 810
Fenix One Ltd.	--	51 807 887	51 807 887	39 288 631
Financial Holding International	18 564 681	--	18 564 681	--
Others **	--	45 055 280	45 055 280	39 756 031
Total			631 762 877	547 572 472
Accumulated impairment **			(6 652 500)	(5 850 000)
Net			625 110 377	541 722 472
Balance			725 052 991	606 398 440

(In the notes all amounts are shown in EGP unless otherwise stated)

* The parent company with 24.36%

** Accumulated impairment in due from related parties is represented in:

	Balance as at 1/1/2016	Formed during the period **	Foreign currency translation differences	Balance as at 31/3/2016
Logria Holding Ltd.	48 023 235	--	6 230 368	54 253 603
Golden Crescent Finco Ltd.	228 402 049	416 225	31 332 076	260 150 350
Emerald Financial Services Ltd.	254 388 857	1 918 758	34 896 933	291 204 548
ASEC Electrical Repairs Co. (REPELCO)	526 236	--	--	526 236
Golden Crescent Investment Ltd.	29 758 950	--	4 082 318	33 841 268
Nile Valley Petroleum Ltd.	168 055 462	--	23 090 227	191 145 689
	729 154 789	2 334 983	99 631 922	831 121 694
Shareholders' current accounts	5 850 000	--	802 500	6 652 500
Balance		2 334 983	100 434 422	

** Note (39).

19. Debtors and other debit balances (net)

	31/3/2016	31/12/2015
Prepaid expenses	23 667 600	17 713 506
Deposits with others	41 189 077	42 821 023
Advances to suppliers	386 668 818	326 787 142
Letters of guarantee margin	30 873 446	26 749 363
Imprest	44 652 571	38 592 449
Accrued revenues	71 328 878	62 936 721
Refundable deposits	4 635 577	4 631 578
Amounts due from sale of investments	37 728 392	31 320 000
Operation retention	116 720 514	102 873 999
Advances to contractors	59 977 722	53 360 869
Prepayments for purchase of fixed assets	11 052 974	11 052 974
Tax Authority	177 186 367	176 750 854
Custom Authority	105 793	50 185
Letters of credit	196 660 682	170 815 843
General Authority for Economic Zone of the Suez Canal*	--	145 091 560
Debit balances under settlement	22 697 891	21 520 891
Sundry debit balances	167 456 305	192 096 906
Total	1 392 602 607	1 425 165 863
Accumulated impairment	(64 845 216)	(67 403 332)
Balance	1 327 757 391	1 357 762 531

(In the notes all amounts are shown in EGP unless otherwise stated)

* Represents the amount due from the General Authority for Economic Zone of the Suez Canal to terminate the Build, Operate, Transfer (BOT) concession agreement to build Fuel Bunkering Terminal and Logistics Hub in Suez canal. The two parties agreed on committing the General Authority for Economic Zone to pay all costs incurred on the project by Mashreq petroleum company (subsidiary), provided that the company will deliver the land that was allocated to the project as well as the designs of the project and the Authority paid these amounts during the current period.

20. Cash and cash equivalents

	31/3/2016	31/12/2015
Cash on hand	24 788 951	5 321 155
Banks - current accounts	2 645 869 554	2 596 344 525
Banks - time deposits	117 375 577	381 146 143
Cheques under collection	20 745 990	26 429 217
Treasury bills	499 699 185	343 759 439
Cash and cash equivalent as presented in the consolidated statement of financial position	3 308 479 257	3 353 000 479
Effect of foreign exchange differences	--	(178 732 570)
Adjusted cash and cash equivalents	3 308 479 257	3 174 267 909

21. Disposal group held –for – sale

- National Development and trading Company's management decided on December 24, 2012 to sell its share in ESACO for Manufacturing Engineering and Construction (subsidiary, 70%).
- ASEC Cement Company's board of directors decided on May 4, 2014 to sell ASEC Algeria Cement Company (ASEC CIMENT) and the Company has received an offer from one of the investors to acquire the Company (ASEC CIMENT) and the Company is currently examining the feasibility of the offer.
- Falcon for Agriculture Investments Ltd. BVI Company decided to sell its shares in the following companies:
    1. El-Eguizy International for Economic Development
    2. Misr October Company for Food Industries
    3. Up-date Company for Food Products
    4. Nile for Food Products "Enjoy"

According to the following general assembly decisions:

- On February 23, 2014 National Company for Agriculture Projects (Gozour) - Subsidiary of Falcon for Agriculture Investments Ltd. BVI- decided to sell its investment in El-Eguizy International for Economic Development Company.
- On March 30, 2014 National Company for Investments and Agriculture (Gozour) -Subsidiary of Falcon for Agriculture Investments Ltd. BVI- decided to sell its investment in the following companies:
  - Misr October Company for Food Industries
  - Up-date Company for Food Products
- On November 30, 2015, Gozour group has made an agreement with an Egyptian investor to sell Misr October for Food Industries "Elmisrieen"- Subsidiary of Falcon for Agriculture Investments Ltd. with a total consideration of EGP 50 million and it is worth mentioning that Misr October Company for Food Industries- indirect subsidiary (55%)- stopped its operating activities in 2012. The sale has been finalized and the shares were transferred to the new acquirer on March 22, 2016.
- On March 30, 2014 Misr October Company for Food Products-Subsidiary of Falcon for Agriculture Investments Ltd. BVI- decided to sell its investment in Nile for Food Products "Enjoy" Company.
- On February 3, 2015 Citadel Capital Co. signed contract to sell its equity shares in Pharos Holding for Financial Investments (associate-80%) and the ownership has been transferred on February 18, 2015.

- The company announced its intention to conclude a set of agreements with Financial Holdings International (FHI), one of Citadel Capital major co-investors, where the company will acquire from FHI, additional equity stakes in the following companies:
  1- ASEC Holding (cement)
  2- TAQA Arabia (energy)
  3- Nile Logistics (transportation)
  4- Dina Farms Supermarkets (food retail chain)
  5- United Foundries (metallurgy).

  Simultaneously, the company will transfer to FHI its equity stakes in the following companies:
  1- Mena Home Furnishing Malls Ltd company
  2- Grandview Investment Holding company
  3- Dina farms land company*

* Is to be splitted – off from the existing investment and the company is currently in the process of preparing the final sale plan. Accordingly, the company has not classified this asset as assets held for sale.

- On October 5, 2015 the company announced that its subsidiary ASEC Cement (subsidiary) has signed a sale and purchase agreement to sell its entire share in ASEC Minya Cement and ASEC Ready Mix Co. (Subsidiaries) to Misr Cement Qena for total consideration of approximately EGP 1 billion. The agreement has already finalized as at November 20, 2015. Note that the company owns 70% from ASEC Cement shares.

- On November 10, 2015 the company announced that its business unit, Gozour, has signed a sale and purchase agreement - with Olayan Financing Company and its subsidiaries – to sell its entire investment in Rashidi El-Mizan, for a total consideration of EGP 518 million. The agreement has already finalized as at December 16, 2015.

- The Company's management expressed for its intention to sell its subsidiary "KU Railways Holdings", a number of investors have expressed their interest in purchasing the company. Currently the negotiations is taking place with those investors to examine the feasibility of the available offers.

- Due to the fact that Mashreq Company For Petroleum (subsidiary) has terminated the Build, Operate, Transfer (BOT) concession agreement with General Authority for Economic Zone to build Fuel Bunkering Terminal and Logistics Hub in Suez canal. The two parties agreed on committing the General Authority for Economic Zone to pay all costs incurred on the project by Mashreq petroleum company (subsidiary), provided that the company will deliver to General Authority for Economic Zone, the land that was allocated to the project as well as the designs of the project. Accordingly, the Company classified the assets and liabilities of Ledmore Holdings Ltd. (subsidiary and the parent company of Mashreq) as assets held for sale due to the inability to continue in operation at the present time.

- On February 24, 2016 the Company announced that its business unit Finance Unlimited has finalized the sale of its entire holding in subsidiary Tanmeyah Microenterprise Services, Egypt's leading private-sector provider of microfinance solutions, to EFG Hermes in a transaction that values 100% of Tanmeyah at EGP 450 million. The transaction has been finalized on March 23, 2016).

- On January 19, 2016 the Company sold all its shares in Misr Glass Manufacturing Company (associate to Mena Glass ltd) to Middle Easr Glass Manufacturing Company with a total amount of EGP 127 Million approximately (Note 22-1)

(In the notes all amounts are shown in EGP unless otherwise stated)

21.1 Assets classified as held-for-sale as at March 31, 2016 are represented in the following:

	Esaco for Manufacturing and Engineering	ASEC Algeria Cement Company	Mena Home Furnishing Malls Ltd.	Falcon for Agriculture Investments Ltd. BVI Subsidiaries	Arab Swiss Engineering Co. (ASEC)	KU RAILWAYS HOLDING LIMITED	Ledmore Holding Limited.	Grandview Investment Holding	Total
Fixed assets (net)	15 068 848	5 811 875	342 311	173 195 231	5 750 000	264 027 676	183 467	--	464 379 408
Intangible assets	--	--	--	1 033 807	--	909 394 187	--	--	910 427 994
Projects under construction	--	1 079 886 963	188 539 627	--	--	13 633 855	--	--	1 282 060 445
Inventories (net)	10 660 905	--	--	165 700	--	146 644 721	--	--	157 471 326
Trade and other receivables (net)	6 846 604	--	--	--	--	367 991 278	--	--	374 837 882
Debtors and other debit balances	8 311 227	16 833 778	7 504 153	2 866 571	--	--	437 415	--	35 953 144
Due from related parties	22 094 808	3 338 820	--	1 067 646	--	--	--	--	26 501 274
Investment property (net)	--	256 080	331 856 574	--	--	--	--	--	332 112 654
Cash and cash equivalents	456 356	--	257 718	4 709 970	--	41 525 313	34 889 152	--	81 838 509
Goodwill (net)	--	81 058 922	76 929 159	--	--	--	--	--	157 988 081
Investment in associates and subsidiaries	--	--	--	--	--	--	--	455 693 688	455 693 688
Deferred tax assets	--	--	--	--	--	71 649 811	--	--	71 649 811
Balance	63 438 748	1 187 186 438	605 429 542	183 038 925	5 750 000	1 814 866 841	35 510 034	455 693 688	4 350 914 216

(In the notes all amounts are shown in EGP unless otherwise stated)

21.2 Liabilities classified as held-for-sale as at March 31, 2016 are represented in the following:

	Esaco for Manufacturing and Engineering	**ASEC Algeria Cement Company**	**Mena Home Furnishing Malls Ltd.**	**Falcon for Agriculture Investments Ltd. BVI Subsidiaries**	**KU RAILWAYS HOLDING LIMITED**	**Ledmore Holding Limited.**	**Total**
Provisions	35 507 305	--	12 083 840	24 098 593	--	--	71 689 738
Banks' overdraft	41 047	--	--	--	--	--	41 047
Loans	40 909 570	--	209 729 270	103 954 466	2 016 581 719	--	2 371 175 025
Trade and other payables	59 284 859	75 865 666	--	122 050 181	455 243 836	--	712 444 542
Due to related parties	13 134 218	2 024 249	--	1 343 521	--	--	16 501 988
Creditors and other credit balances	16 874 946	6 723 718	84 729 070	--	--	8 902 287	117 230 021
Deferred taxes	7 081 142	--	--	2 345 963	--	--	9 427 105
Balance	172 833 087	84 613 633	306 542 180	253 792 724	2 471 825 555	8 902 287	3 298 509 466

(In the notes all amounts are shown in EGP unless otherwise stated)

22. Net profit (loss) from discontinued operations (net of tax)

For the period ended March 31, 2016

	Esaco for Manufacturing and Engineering	Mena Home Furnishing Malls Ltd.	Falcon for Agriculture Investments Ltd. BVI Subsidiaries	Misr Glass Manufacturing Company	Tanmeyah Company S.A.E	KU Railways Holding Limited	Ledmore Holding Limited	Total
Discontinued operations :-								
Operating revenues	17 464 470	1 517 732	--	--	26 343 930	116 886 860	--	162 212 992
Operating costs	(10 150 210)	(2 681 967)	--	--	(16 151 184)	(150 651 431)	--	(179 634 792)
Administrative expenses	--	(1 152 538)	--	--	(11 588 254)	(18 578 378)	(16 164)	(31 335 334)
Other (expenses) / revenues	--	(9 200 593)	--	--	2 288 735	15 333 117	(14 964 595)	(6 543 336)
Finance costs – (net)	--	(7 551 378)	--	--	(42 534)	(31 335 772)	--	(38 929 684)
Results from operating activities	7 314 260	(19 068 744)	--	--	850 693	(68 345 604)	(14 980 759)	(94 230 154)
Gain (loss) on sale of discontinued operation (Note 22.1)	--	--	9 577 380	(173 805 406)	210 043 776	--	--	45 815 750
Income tax	--	--	--	--	(26 294 038)	--	--	(26 294 038)
Profit (loss) from discontinued operation, net of tax	7 314 260	(19 068 744)	9 577 380	(173 805 406)	184 600 431	(68 345 604)	(14 980 759)	(74 708 442)

(In the notes all amounts are shown in EGP unless otherwise stated)

For the period ended March 31, 2015

	Esaco for Manufacturing and Engineering	Pharos Holding Limited	Mena Home Furnishing Malls Ltd.	Falcon for Agricultural Investments Ltd BVI Subsidiaries	Tanmeyah Company S.A.E	KU RAILWAYS HOLDING LIMITED	Ledmore Holding Limited.	ASEC Ready Mix and ASEC Minya Cement Company	El Rashidi El Mizan - Egypt and El Rashidi - Sudan	Total
Discontinued operations :-										
Operating revenues	4 569 999	--	2 582 986	626 341	28 247 168	157 192 180	--	366 879 391	129 824 296	689 922 361
Operating costs	(6 959 310)	--	(5 260 201)	(45 989 095)	--	(147 575 099)	--	(325 919 894)	(94 381 784)	(626 085 383)
Share of profit / loss of investment in associate	--	--	--	--	--	--	--	28 839 931	--	28 839 931
Administrative expenses	--	--	(3 799 898)	--	(18 931 809)	(34 084 122)	(3 676 834)	--	(22 410 582)	(82 903 245)
Other revenues (expenses)	--	--	1 919	--	959 251	--	40 186	--	(514 335)	487 021
Finance cost – (net)	(5 036 132)	--	(8 310 146)	(5 779 470)	1 340 285	(42 890 423)	1 238 400	--	(7 619 418)	(67 056 904)
Results from operating activities	(7 425 443)	--	(14 785 340)	(51 142 224)	11 614 895	(67 357 464)	(2 398 248)	69 799 428	4 898 177	(56 796 219)
Income tax	--	--	--	--	(1 330 000)	--	--	(18 280 031)	(1 193 452)	(20 803 483)
Results from operating activities, net of tax	(7 425 443)	--	(14 785 340)	(51 142 224)	10 284 895	(67 357 464)	(2 398 248)	51 519 397	3 704 725	(77 599 702)
(Loss) on sale of discontinued operations (Note 22.1.2)	--	(10 451 655)	--	--	--	--	--	--	--	(10 451 655)
Profit (loss) from discontinued operation after tax	(7 425 443)	(10 451 655)	(14 785 340)	(51 142 224)	10 284 895	(67 357 464)	(2 398 248)	51 519 397	3 704 725	(88 051 357)

(In the notes all amounts are shown in EGP unless otherwise stated)

22.1 Gain (losses) on sale of discontinued operations (investments in subsidiaries and associates)

	Tanmeyah Company S.A.E	Falcon for Agricultural Investments Ltd BVI Subsidiaries	Misr glass manufacturing company *	Total 31/3/2016	Total 31/3/2015 "Pharos Holding"
Total assets	(187 357 975)	(51 638 339)	--	(238 996 314)	--
Total liabilities	144 442 860	61 215 719	--	205 658 579	--
Equity – accounted investee	--	--	(301 278 649)	(301 278 649)	(38 285 565)
Net assets	(42 915 115)	9 577 380	(301 278 649)	(334 616 384)	(38 285 565)
Income Tax	(26 294 038)	--	--	(26 294 038)	--
Cash consideration	252 958 891	--	127 473 243	380 432 134	27 833 910
Gain (loss) on sale of discontinued operation	183 749 738	9 577 380	(173 805 406)	19 521 712	(10 451 655)

* Note (11-2).

23. Share capital

- The Company's authorized capital is EGP 6 Billion and the issued and paid-in capital is EGP 4 358 125 000 represents 871 625 000 shares distributed to 653 718 750 ordinary shares and 217 906 250 preferred shares with par value EGP 5 per share.
- The Company's extra-ordinary general assembly meeting held on October 20, 2013 approved the increase of the authorized capital from EGP 6 billion to EGP 9 billion and the increase of the issued capital from EGP 4 358 125 000 to EGP 8 billion, with an increase of EGP 3 641 875 000 by issuing 728 375 000 new shares at par value of EGP 5 per share, distributed over 182 093 750 preferred shares and 546 281 250 ordinary shares, without issuance costs. The purpose of this capital increase is to finance the acquisition of additional shares in its related companies, financing the Company's share contribution in the capital increases of some of its related companies and entering into new investments and settlement of some of Company's liabilities. The Board of Directors approved in its meeting held on February 13, 2014 to cover the subscription of the unsubscribed Company's shares in the capital increase through offsetting the shareholders' credit balances that are payable by the Company (note 25) against the subscription price of the shares. The commercial register has been updated with the increase on April 16, 2014.
- The Company's extra-ordinary general assembly meeting held on March 25, 2015 approved the increase of the authorized capital from EGP 9 billion to EGP 10 billion and the increase of the issued capital from EGP 8 billion to EGP 9.7 billion, with an increase of EGP 1.7 billion in cash allowing the use of credit balances payable to existing shareholders by issuing 340 million new shares at par value of EGP 5 per share, consisting of 85 million preferred shares and 255 million ordinary shares, without issuance costs. The capital increase subscription started on June 2, 2015 and closed on the end of the working day September 9, 2015. The subscription had been covered by 64.71% represented in 220 million share of which 1 738 649 preferred share with an amount of EGP 8 693 245 and 218 261 351 ordinary share with an amount of EGP 1 091 306 755, with a total amount of EGP 1.1 billion and thus the company's issued share capital after increase amounted EGP 9.1 billion, represents 1 820 000 000 shares comprising of 1 418 261 351 ordinary share and 401 738 649 preferred share at par value of EGP 5 per share. The commercial register has been updated with the increase on September 29, 2015.

- The preferred share has the advantage of triple voting right comparing with ordinary share on the decisions of the Company's extraordinary and ordinary general assembly meetings according to the decision of the Company's extra-ordinary general assembly meeting held on May 12, 2008 and also paragraph no.(3) of article no.(18) of the Company's article of associations. Those preferred shares are owned by Citadel Capital Partners Ltd. the principle shareholder of the Company.

(In the notes all amounts are shown in EGP unless otherwise stated)

- The shareholders' structure - is represented in the following:

Shareholders' name	**Percentage %**	**No. of Shares**	**31/3/2016 EGP**
Citadel Capital Partners Ltd.	24.36	443 295 671	2 216 478 355
Emirates International Investments Company	7.62	138 767 960	693 839 800
Others	68.02	1 237 936 369	6 189 681 845
	100	1 820 000 000	9 100 000 000

24. Shareholders' credit balances

Shareholders' credit balances represent the amounts payable to the shareholders resulting from purchasing extra ownership share percentages in some of its subsidiaries and associates companies from those shareholders through Citadel Capital for International Investments Ltd. (subsidiary 100%).

- Shareholders' credit balances are represented in the following:-

	31/3/2016	**31/12/2015**
Shareholders' credit balances to be settled in cash		
Khaled Abd EL Hamed Ali Abou Bakr	--	1 296 432
Other investors	--	167 879
Balances	--	1 464 311

(In the notes all amounts are shown in EGP unless otherwise stated)

25. Loans and borrowings

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
Dina for Agriculture Investments	-Ahly United Bank -United Bank -Arab Egyptian Real Estate Bank.	EGP: Average 3.625% plus Corridor	2014-2018	160 874 995	32 199 998	128 674 997	- Pledge over all the company's assets and real estate first rank Pledge on 7 172 feddan of company's land.
Arab Company for Services and Trade	Credit Agricole	4% annually	2014	1 263 186	1 263 186	--	- Partially mortgage on the company's assets.
National Development and Trading Company	Qatar National Bank	12.5%	September 2016	171 244 408	--	171 244 408	- Partially pledging shares of ASEC Cement Company
National Development and Trading Company	Arab Investment Bank	12%	December 2017	91 571 122	--	91 571 122	- Partially pledge of ASEC Cement Co. shares, ASEC Engineering shares, ASENPRO shares and ESACO shares to the bank.
National Development and Trading Company	Industrial Development and Workers Bank of Egypt	11.5%	December 2017	182 288 125	--	182 288 125	- Mortgage of ASEC Cement Co. shares, ASEC Engineering shares, ASENPRO shares, ASEC Automation shares and ESACO shares to the bank.

(In the notes all amounts are shown in EGP unless otherwise stated)

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
National Development and Trading Company	Misr Iran Development Bank	2.50% plus corridor rate	December 2018	119 927 784	--	119 927 784	- Pledging 33.3 million shares of subsidiaries with a value not less than 333% from the total amount of credit facility which is accepted by the bank to cover the minimum market value within the last three months, also shares custody should be by the bank and dividends to be collected under the cognition of the bank.
Arab Swiss Engineering Co. (ASEC)	Ahli United Bank	2.25% Plus corridor for current 3.25% plus corridor for non-current	November 2018	99 364 469	57 464 469	41 900 000	Assignment of South Valley Cement Co. management contract.
Arab Swiss Engineering Co. (ASEC)	Al Barka Bank	11.5%	June 2016	28 162 622	20 400 000	7 762 622	Assignment of White Sinai Cement Co. management contract.
ASEC Cement Company	Sudanese Egyptian bank	11%	2015	144 997 196	143 559 134	1 438 062	Murabha contracts.
Taqa Arabia	Commercial International Bank	3.25% plus corridor rate	2016-2020	199 774 788	24 971 853	174 802 935	

(In the notes all amounts are shown in EGP unless otherwise stated)

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
Global Energy	HSBC Arab Bank	EGP: 2.25% plus average Corridor US.$: 1.3% plus Libor	2014-2016 2014-2018	37 834 347	24 322 578	13 511 769	- The amount of capital injected parallel to the premiums payable in the event that the net profit + depreciation + cash inadequate to pay the premiums due. - No change in the company shall take place without written consent from the bank - The company undertakes not to pledge, mortgage, or impose any liens / seniority over any assets in Sharm El Sheikh Project. - The company executed a commercial pledge contract with Arab Bank. The pledge include all the Group's tangible and intangible assets in addition to the power generation station in Scimitar project in Red Sea Governorate.

(In the notes all amounts are shown in EGP unless otherwise stated)

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
Taqa Marketing	HSBC Cairo Bank	EGP: 3% plus corridor rate	2014-2018 2014-2020	39 869 391	11 362 151	28 507 240	- The company made a proxy to the bank that is empowering to impose a commercial pledge on existing tangible and intangible assets which was financed by the loan. Taqa Arabia undertakes the following:- - Maintain the direct or indirect controlling interest during the contract period and till the actual repayment. - Cover any deficiency in the debt service ratio or increase in the investment costs or operating expenses by injecting cash in the form of capital increase or subordinated loans with priority to the bank.

(In the notes all amounts are shown in EGP unless otherwise stated)

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
Egyptian Refining Company – S.A.E.	Japan Bank for International Cooperation (JBIC)	US.$: Libor for such interest period Plus 4.10%	2017-2029	3 167 210 270	--	3 167 210 270	- Egyptian Refining Company shall deliver to each lender original, signed, undated and blank promissory notes.
Egyptian Refining Company – S.A.E.	Group of Commercial Banks (NEXI – Covered Lenders)	US.$: Libor for such interest period Plus 1.75% per annum	2017-2029	2 079 165 556	--	2 079 165 556	- Egyptian Refining Company has signed a general irrevocable power of attorney dated August 10, 2010 to the benefits of Commercial International Bank ''CIB'' at his capacity as the Egyptian Security Agent of the term loan facility.
Egyptian Refining Company – S.A.E.	Export – Import Bank of Korea (KEXIM)	US.$: Libor for such interest period plus 3.6% per annum up to the project completion. 4% per annum from the project completion to the end of the 5th year. 4.6% per annum for any time thereafter.	2017-2029	3 697 650 223	--	3 697 650 223	

(In the notes all amounts are shown in EGP unless otherwise stated)

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
Egyptian Refining Company – S.A.E.	Financial Institutions (KEXIM Initial Guaranteed facility lenders)	US.$: Libor for such interest period plus 1.95 % per annum plus Mandatory cost	2017-2029	1 268 744 541	--	1 268 744 541	
Egyptian Refining Company – S.A.E.	European Investment Bank (EIB)	Libor for such interest period Plus or minus the spread of the related year as determined by the bank (1.5% for the current period) Plus Mandatory cost	2017-2029	2 692 028 147	--	2 692 028 147	
Egyptian Refining Company – S.A.E.	African Development Bank (AFDB)	Fixed interest rate: 3.30 % per annum Plus Base rate calculated by the bank as set in the agreement Or Variable interest rate: LIBOR for such interest period Plus 3.30 % per annum	2017-2029	1 774 000 000	--	1 774 000 000	

(In the notes all amounts are shown in EGP unless otherwise stated)

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
Egyptian Refining Company – S.A.E.	African Development Bank (AFDB)	Fixed interest rate: -5% per annum -Plus base rate Or Variable interest rate: LIBOR for such interest period plus 5% per annum	2017-2025	272 173 245	--	272 173 245	- Egyptian Refining Company shall deliver to AFDB an original, signed, undated and blank promissory notes. - Egyptian Refining Company shall not make any distribution or other payment to the shareholders (or their affiliates) in respect of equity funding or shareholders loans until all amounts due and payable under the loan have been paid in full.
Egyptian Refining Company – S.A.E.	MITSUE & Co. Ltd.	- US$ 6 months Libor - Plus 3 % per annum	2020	101 067 468	--	101 067 468	

(In the notes all amounts are shown in EGP unless otherwise stated)

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
Less: Deferred borrowing cost *							
Egyptian Refining Company – S.A.E.				(1 580 645 389)	--	(1 580 645 389)	
Citadel Capital S.A.E	Citi Bank (syndication loan manager) (Arab African International Bank, Arab International Bank, Banque du caire, Misr Bank, and Piraeus Bank)	US$: First tranche: (4.25 %+Libor rate). Second tranche: 3.9% plus Libor Third Tranche: 3.9% plus Libor	2012-2022	2 169 700 617	1 553 728 363	615 972 254	- First degree lien contract of the shares owned by the Company in National Development and Trading Company. - First degree lien contract of the shares owned by the Company in International Company for Mining Consulting. - First degree lien contract of the shares owned by the Company in United Foundries Company. - First degree lien contract of the shares of Citadel Capital Ltd. (One of the subsidiaries

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
							- First degree lien contract on the shares owned by the Company in ASEC Cement Company. - First degree lien contract on the shares owned by the Company in ASEC Company for Mining (ASCOM). - First degree lien contract of Citadel Capital Ltd. (One of the subsidiaries of Citadel Capital Holding for Financial Investments- Free Zone) investments or the following companies: - Orient Investments Properties Ltd. - Logria Holding Ltd. - Golden Crescent Investments Ltd. - Falcon Agriculture Investments Ltd.

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
							- Silverstone Capital Investment Ltd. - Mena Glass Ltd. - Mena Home Furnishings Mall. - Valencia Trading Holding Ltd. - Andalusia Trading Investments Ltd. - Citadel Capital Transportation Opportunities Ltd. - Lotus Alliance Limited. - Citadel Capital Financing Corp. - Grandview Investment Holding - Africa Railways Holding - National Company for Marine Petroleum Services (Petromar) - Taqa Arabia S.A.E.

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
							- Egyptian Company for Solid Waste Recycling (ECARU) - Engineering Tasks Group (ENTAG) - Mashreq Petroleum - Ledmore Holdings Ltd. - Everys Holdings Limited - Eco-Logic Ltd. - Sequoia Willow Investments Ltd. - Underscore International Holdings Ltd. - Brennan Solutions - Citadel Capital Transportation Opportunities II Ltd. - Citadel for Investments Promotion Company
International for Refinery Consultation	Arab International Bank	US.$:5.2% Annually	2016	242 344 774	242 344 774	--	Letter of guarantee from Standard chartered Bank of korea Limited with the mount due to Arab International Bank.

(In the notes all amounts are shown in EGP unless otherwise stated)

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
National Company for Refining Consultation	Arab International Bank	U\$.\$: 15 608 926 Interest to be paid upon maturity	2015	590 680 442	--	590 680 442	The loan is guaranteed by pledging the Company's (50 million) share in Orient Investments Properties Ltd. in favour of the bank. And the bank as the authority to switch the ownership of these shares any time against granted loan.
Sabina for Integrated Solutions	Khartoum Bank – Sudan	US.\$: Murabha		26 170 048	16 318 627	9 851 421	Possessory pledge for machinery and equipment.
National Company for Multimodal Transport S.A.E.	Arab African International Bank Bank of Alexandria and Misr Bank (syndicated loan)	EGP: corridor Average accrued every 6 months	2012-2016	472 451 201	472 451 201	--	- Open the Revenue Account with the Loan Agent (Misr Bank). - Conclude a first degree pledge over the Revenue Account. - Conclude first degree mortgage on the barges. - Conclude first degree mortgage over all present and future tangible and intangible assets.

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
							- An undertaking to provide the Security Agent with the operational insurance policies over the New Barges within 15 days from the expiry date of the construction insurance policy. - Assign the Borrower's rights under the insurance policies covering operating Barges, for the full replacement value against all insurable risks for which it would be prudent to insure for ("Adequate Insurance") to be endorsed in favour of the Security Agent (Arab African International Bank) for itself and on behalf of the Banks.

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
							- Assign all borrower's compensation rights under the insurance policies covering the Borrower's New Barges during construction year, in favour of the Security Agent (Arab African International Bank) for itself and on behalf of the Banks. - Assign the proceeds (one year or more) from long term transportation service contracts signed with the borrower's customers in favour of the Security Agent (Arab African International Bank). - Assign the borrower's rights of any damages arising under the Material Project Contracts and related banks' guarantees under such contracts in favour of the Security Agent (Arab African International Bank) for itself and on behalf of the banks.

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
ASCOM company for chemicals and carbonates manufacturing	Ahli United Bank	Libor for 3 months plus 2 % Default rate 1% annually		79 381 721	21 334 926	58 046 795	- First rank mortgage for all property and real estate on the project. - First rank commercial mortgage on all physical and moral assets. - First rank commercial mortgage on calcium carbonate production line. - Deposit all earnings resulting from future sale contracts related to calcium carbonate production in the favour of the bank. - The company undertakes not to change, pledge, mortgage, sell, or lease (or change any of the main or consequential moral rights) over any mortgaged assets as per this contract, and not to provide any proxy to make any mortgage on these assets during the finance period without obtaining a prior written consent of the Bank.

(In the notes all amounts are shown in EGP unless otherwise stated)

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
Glass rock company for isolation	Misr Bank	Libor for 3 months plus 4.5% Default rate 1% annually	2013-2016	291 351 643	10 885 536	280 466 107	- First rank mortgage for all property and real estate on the project. - First rank commercial mortgage on all physical and moral assets. - Deposit all earnings resulting from future sale contracts in the favour of the bank. - The company undertakes not to change, pledge, mortgage, sell, or lease (or change any of the main or consequential moral rights) over any mortgaged assets as per this contract, and not to provide any proxy to make any mortgage on these assets during the finance period without obtaining a prior written consent of the Bank. - ASEC company for mining- the holding company- undertake the obligation to pay the company debt in case of default.

(In the notes all amounts are shown in EGP unless otherwise stated)

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
Trimstone Assets Holdings Ltd.	Arab International Bank	US.$ 5% plus six months Libor	2013-2014	159 120 385	159 120 385	--	- Includes a first degree pledge over all shares owned by the borrower of “TAQA Arabia” covering 115% of the value of the existing liability in favour of (Arab International Bank). - Includes a first degree pledge over shares of “Citadel Capital for financial consultancy” S.A.E (the ultimate parent company) covering 35% of the value of the existing liability in favour of (Arab International Bank).
United Foundaries Company	Piraeus Bank	Debit interest rate 1.5% annually over loan rate and apply debit interest rate 1.5% 3 months Libor rate for the liability in USD		9 753 683	3 847 627	5 906 056	
				18 789 521 008	2 795 574 808	15 993 946 200	

(In the notes all amounts are shown in EGP unless otherwise stated)

Borrowing company	Lender Bank/Company	Interest rate	Maturity date	Outstanding balance	Current	Non –current	Guarantees
Loans from related parties							
National Development and Trading Company	Financial Holdings International	11.5% per annum compound interest		688 494 744	688 494 744	--	The guarantees are represented in lien on part of National Development and Trading Company shares in the following subsidiaries companies: ASEC Cement Company 41 050 000 shares Arab Swiss Engineering Company (ASEC) 899 900 shares.
National Development and Trading Company	Vigenar Company	11.5% per annum compound interest		14 468 915	14 468 915	--	
United Foundries	Financial Holdings International	11.5% per annum compound interest		59 223 410	36 084 052	23 139 358	The guarantees are represented in a first degree lien of United Foundries Company shares in Ameryah Metal Company one of its subsidiaries with a percentage of 99.72%.
				762 187 069	739 047 711	23 139 358	
				19 551 708 077	3 534 622 519	16 017 085 558	

* This balance represents the necessary financing cost incurred by Egyptian Refining Company S.A.E to obtain the credit facility and loans required to finance its project. It will be amortized over the loan life using the effective interest rate.

(In the notes all amounts are shown in EGP unless otherwise stated)

26. Long term liabilities and derivatives

	31/3/2016	31/12/2015
Derivatives swap contracts (26.3)	592 115 981	268 258 442
Creditors-purchase of investments (26.1)	10 787 486	10 787 486
Creditors-Purchase of fixed assets	1 664 119	1 466 234
End of service benefits	2 088 912	2 027 275
Deposits from others (26.2)	141 685 645	132 517 655
Social Insurance authority	11 871 017	13 114 628
Others	7 051 434	8 197 369
Balance	767 264 594	436 369 089

26.1 This balance represents the amount due from Tanweer for Marketing and Distribution Company "Tanweer" (subsidiary - 99.88%) for purchasing investment in Dar El-Sherouk Ltd.-BVI- in the favour of the shareholders of the mentioned company.

26.2 Deposits from others

	31/3/2016	31/12/2015
Gas consumption deposits	112 537 415	111 685 353
Power consumption deposits	29 148 230	20 832 302
Balance	141 685 645	132 517 655

26.3 Egyptian Refining Company (subsidiary) has entered into five Interest Rate Swap transactions with the following parties;

- Societe General Corporate & Investment Banking.
- HSBC Bank Middle East Limited.
- KFW IPEX-Bank GMBH.
- Mitsubishi UFJ Securities International PLC.
- Standard Chartered Bank.

The main terms of the transactions are as follows;
Trade date: June 25, 2012.
Effective date: July 3, 2012.
Termination date: December 20, 2024.
Fixed portion rate paid by the company is 2.3475%.
Floating rate paid by bank is USD – LIBOR – BBA 6 months.
Payment date: Semi – annually on the commencing December 20, 2012.
Maximum notional amount covered under these transactions are;

(In the notes all amounts are shown in EGP unless otherwise stated)

- US.$ 789 445 078 by Standard Chartered Bank.
- US.$ 450 970 501 by Societe General Corporate & Investment Banking.
- US.$ 435 971 044 by HSBC Bank Middle East Limited.
- US.$ 107 759 253 by KFW IPEX – Bank GMBH.
- US.$ 189 466 819 by Mitsubishi UFJ Securities International PLC.

As at March 31, 2016 the balance related to the change in the fair value of cash flow hedges related to hedged transactions is amounting to EGP 592 115 981 (equivalent to US.$ 66 754 902) versus EGP 268 258 442 (equivalent to US.$ 34 392 108) as at December 31, 2015 as follows:

	31/3/2016	31/12/2015
Societe General Corporate & Investment Banking	129 656 734	56 377 402
HSBC Bank Middle East Limited	128 936 839	57 148 611
KFW IPEX – Bank GMBH	33 067 493	15 350 907
Mitsubishi UFJ Securities International PLC	58 143 666	26 980 200
Standard Chartered Bank	242 311 249	112 401 322
Balance	592 115 981	268 258 442

27. Deferred tax assets /liabilities

	31/3/2016		31/12/2015	
	Asset	Liability	Asset	Liability
Fixed assets	--	170 648 426	--	171 752 452
Intangible assets	--	185 308 842	--	185 308 842
Project under construction	--	21 878 000	--	21 878 000
Hedge reserve-swap contract	133 226 087	--	73 771 082	--
Provisions	3 949 276	--	3 955 941	--
Deferred tax liabilities related to Berber for electricity Ltd. Co.	--	22 565 824	--	18 592 844
Tax losses	16 504 895	--	267 507 986	--
Deferred tax liabilities related to KU Railways Holdings Ltd. *	--	--	--	29 647 543
Others	--	25 765 416	--	194 620 873
Total deferred tax assets / liabilities	153 680 258	426 166 508	345 235 009	621 800 554

* Assets held for sale (Note 21-1).

– The Parent Company has carried-forward tax losses as of March 31, 2016 in the amount of EGP 214 541 148 and the related deferred tax assets amounted EGP 48 271 758 which were not recognized because it is not probable that future taxable profit will be available against which the Group can utilize the benefits therefore.

(In the notes all amounts are shown in EGP unless otherwise stated)

28. Banks overdraft

	31/3/2016	31/12/2015
Wafra Agriculture S.A.E	8 550 378	7 522 835
Silverstone Capital Investments Ltd.	21 047 534	41 867 670
United Foundries Company	49 408 492	58 656 932
KU Railways Holdings Ltd.(Note 21.1)	--	157 956 068
National Development and Trading Company	62 840 875	67 283 000
Tawazon for Solid Waste Management (Tawazon)	22 812 801	16 316 264
ASEC for mining (ASCOM)	155 368 111	149 773 349
Everys Holding Limited	--	9 250 684
Balance	320 028 191	508 626 802

29. Due to related parties

	Nature of transaction		31/3/2016	31/12/2015
	Advisory fee	Finance		
Citadel Capital Partners Ltd.*	--	--	--	60 331 261
Mena Glass Ltd.	529 038 936	--	529 038 936	278 522 003
Pharos Holding Co.	--	488 471	488 471	--
ASEC Automation Europe Co.	--	161 007	161 007	161 007
National Sudanese Pension Fund	--	16 977 729	16 977 729	9 375 179
Egyptian Gulf Bank	--	--	--	393 398
Kimonix Egypt for Consultancy Libya	--	1 753 163	1 753 163	2 067 389
Others	--	15 329 990	15 329 990	7 468 952
Sub-balance			563 749 296	358 319 189
Due to shareholders:				
GROUPED HOLDINGS LTD **	--	--	--	91 154 528
Sadek Ahmed El swedey**	--	146 355 000	146 355 000	138 996 000
Abdallah Helmy Mohamed Helmy **	--	17 562 600	17 562 600	23 166 000
Ledville Holdings Limited **	--	--	--	31 546 531
Financial Holding International	--	--	--	76 402 271
Others **	--	7 498 130	7 498 130	11 021 820
Sub-balance			171 415 730	372 287 150
Balance			735 165 026	730 606 339

** The shareholders of the Company

(In the notes all amounts are shown in EGP unless otherwise stated)

30. Trade and other payables

	31/3/2016	31/12/2015
Suppliers	1 574 957 450	2 675 267 970
Notes payables	104 014 999	180 098 260
Balance	1 678 972 449	2 855 366 230

31. Creditors and other credit balances

	31/3/2016	31/12/2015
Accrued expenses	889 955 632	697 045 642
Accrued interest	115 789 585	92 818 448
National Authority for Social Insurance	23 235 736	20 486 300
Advances from customers	137 291 450	122 249 839
Refundable deposits	2 843 855	2 835 784
Unearned revenues	21 877 742	56 228 183
Subcontractors	10 254 516	9 467 023
Creditors – purchase of fixed assets	12 440 494	13 063 217
Deposits from others	64 867 077	61 601 901
Dividend payable – previous years	15 057 141	24 650 168
Shareholders' credit balances	1 464 311	--
Sundry credit balances	231 496 596	372 124 290
Balance	1 526 574 135	1 472 570 795

32. Provisions

	Expected claims Provision	Legal provisions	Other provisions	Total
Balance at the beginning of the period	600 490 712	900 750	19 059 620	620 451 082
Acquisition of subsidiaries	2 040 000	--	--	2 040 000
Provisions formed during the period *	44 193 963	--	3 960 957	48 154 920
Provisions used during the period	(16 843 358)	--	(1 500 687)	(18 344 045)
Provisions no longer needed	(2 115 645)	--	--	(2 115 645)
Foreign currency translation differences	18 732 208	36 936	--	18 769 144
Balance	646 497 880	937 686	21 519 890	668 955 456

(In the notes all amounts are shown in EGP unless otherwise stated)

- Expected claims provision related to expected claims were made by some external parties in connection with the Company's operations. The information usually required by Accounting Standards is not disclosed because the management believes that it would seriously prejudice the outcome of the negotiation with that external party. The management are reviewing the provision annually and the amount provided is adjusted based on latest development, discussions and agreements with the external party.

* Provisions formed during the period by EGP 3 958 604 has been recognized in the operating expenses and represent provision related to ASEC Automation Co related to continuing exiting contracts and an amount of EGP 2 353 related to ARESCO , the write off amount was recognized in operating cost during the period.

33. Provision for financial guarantees contracts

The balance as at December 31, 2015 with amount of EGP 5 077 970 represent Provision contracts for financial guarantees granted to Egyptian Gulf Bank to guarantee the non-performing balances to the portfolio of customers' projects.

34. Related party transactions

Advisory fee

Advisory fee item presented in the income statement is represented in the advisory services provided to related parties according to signed contracts as follows:

	For the period ended	
	31/3/2016	**31/3/2015**
Mena Glass Ltd.(associate)	--	1 163 575
Scimitar Production Egypt Ltd.	2 386 455	2 026 680
Total	2 386 455	3 190 255

- The Company did not recognize advisory fee with an amount of US.$ 1 567 264 (equivalent to EGP 13 901 632) and US.$ 290 203 (equivalent to EGP 2 574 101) for the period ended March 31, 2016 (versus EGP 11 942 552 and EGP 2 211 346 for the period ended March 31, 2015) related to Logria Holding Ltd. and Golden Crescent Investments Ltd. in accordance with the signed contracts due to inadequate assurance concerning the revenue recognition and collection conditions.

(In the notes all amounts are shown in EGP unless otherwise stated)

35. Share of profit / loss of investment in associates

	For the period ended	
	31/3/2016	**31/3/2015**
El Kateb for Marketing & Distribution Co.	155 137	49 329
Elsharq Book Stores Co.	(41 744)	(10 778)
ASEC Company for Mining (ASCOM)*	--	3 491 448
Dar El-Sherouk Ltd.	(102 594)	(407 334)
Societe Des Ciments De Zahana	13 312 763	(1 037 889)
Mena Glass Ltd.	33 813 265	22 862 514
Ostool for Land Transportation S.A.E	1 134 290	962 627
Grandview Investment Holding (Note 21.1)	--	801 015
Total	48 271 117	26 710 932

*Acquired as a subsidiary on 30 June 2015.

36. Operating revenue

	For the period ended	
	31/3/2016	**31/3/2015**
Agriculture food industries	177 644 625	189 713 306
Energy sector	626 682 608	564 583 029
Transportation and logistics	23 887 796	22 227 111
Cement sector	677 437 970	442 537 592
Metallurgy	45 055 467	40 094 865
Financial Services sector	2 881 300	3 636 459
Mining Sector	178 229 786	--
Total	1 731 819 552	1 262 792 362

(In the notes all amounts are shown in EGP unless otherwise stated)

37. Operating costs

	For the period ended	
	31/3/2016	**31/3/2015**
Agriculture food industries	134 959 084	138 191 498
Energy sector	558 725 446	485 837 088
Transportation and logistics	24 061 974	25 230 377
Cement sector	548 643 907	308 134 875
Metallurgy	32 711 389	34 582 343
Financial Services sector	1 631 865	2 696 779
Mining Sector	162 885 458	--
Total	1 463 619 123	994 672 960

38. Administrative expenses

	For the period ended	
	31/3/2016	**31/3/2015**
Wages, salaries and similar items	97 080 969	82 626 847
Consultancy	38 375 352	14 786 080
Advertising and public relations	4 450 999	3 022 417
Selling and marketing expense	31 577 416	15 608 552
Travel, accommodation and transportations	4 015 012	8 464 223
Rent	1 919 637	4 117 043
Depreciation and amortization	4 213 663	4 799 031
Management fees *	--	828 674
Donations	3 132 100	2 120 000
Other	76 056 849	53 770 839
Total	260 821 997	190 143 706

* The Company's extraordinary general assembly meeting held on May 12, 2008 approved the management contract with Citadel Capital Partners Ltd. (the principal shareholder of – 24.36%) which states that Citadel Capital Partners Ltd. provides management duties for fees based on 10% of the net annual profit available for distribution. This agreement shall remain in effect as long as Citadel Capital Partners owns 15% or more preferred shares.

(In the notes all amounts are shown in EGP unless otherwise stated)

39. Other (expenses) / income

	Note	For the period ended	
		31/3/2016	**31/3/2015**
Gain on sale of fixed assets		1 441 849	248 422
Loss on sale of biological assets		(1 026 922)	(2 182 200)
Impairment on due from related parties	(18)	(2 334 983)	(3 098 507)
Impairment on debtors and other debit balances		(1 368 189)	(1 019 199)
Impairment on investments available for sale	(12)	(2 932)	--
Provisions formed	(32)	(44 193 963)	(13 650 607)
Net change in the fair value of investments at fair value through profit and loss		(115 050)	(220 680)
Provisions no longer needed	(32)	2 115 645	481 816
Other revenue		8 775 126	6 993 315
Gain on Financial guarantees contracts		--	959 251
Total		(36 709 419)	(11 488 389)

40. Finance cost (net)

	For the period ended	
	31/3/2016	**31/3/2015**
Interest income	21 286 178	19 988 168
Interest expenses - Note. (25)	(140 239 055)	(173 854 764)
Foreign currency translation differences	(78 770 600)	(46 130 532)
Net	(197 723 477)	(199 997 128)

41. Income tax

	For the period ended	
	31/3/2016	**31/3/2015**
Current income tax	(28 357 506)	(13 932 335)
Deferred tax	(13 412 457)	(6 443 216)
Net	(41 769 963)	(20 375 551)

(In the notes all amounts are shown in EGP unless otherwise stated)

42. Earnings per share

	For the period ended	
	31/3/2016	**31/3/2015**
Net loss for the period	(292 875 297)	(212 035 542)
Net loss for equity holders of the parent Company	(242 704 107)	(112 160 236)
The weighted average number of shares including the preferred shares with same distribution rights as ordinary shares	1 820 000 000	1 600 000 000
Earnings per share	(0.13)	(0.07)

43. Finance income recognized in equity

	For the period ended	
	31/3/2016	**31/3/2015**
Foreign currency translation differences	403 884 378	301 576 101
Net change in the fair value of available-for-sale investment	--	(87 663)
Total finance income recognised in equity (after tax)	403 884 378	301 488 438
Attributable to:		
Owners of the Company	229 995 464	193 421 932
Non - controlling interests	173 888 914	108 066 506
	403 884 378	301 488 438

(In the notes all amounts are shown in EGP unless otherwise stated)

44. Business segments

Segment information is presented in respect of the Group's business segments. The primary format, business segment, is based on the Group's management and internal reporting structure.

Assets and liabilities include items directly attributable to a segment.

The table below depends on operating income analysis, operating cost, assets and liabilities based on the type of business activities and services that are distinguishable component.

For the period ended March 31, 2016	Agriculture food industries	Energy	Transportation and logistics	Cement	Metallurgy	Speciality real estate	Financial service	Mining	Eliminations	Total
Operating revenue	177 644 625	626 682 608	23 887 796	677 437 970	45 055 467	--	2 881 300	178 229 786	--	1 731 819 552
Operating cost	(134 959 084)	(558 725 446)	(24 061 974)	(548 643 907)	(32 711 389)	--	(1 631 865)	(162 885 458)	--	(1 463 619 123)
Gross profit (loss)	42 685 541	67 957 162	(174 178)	128 794 063	12 344 078	--	1 249 435	15 344 328	--	268 200 429
Net (loss) for owners of the Company	(13 421 965)	(21 209 738)	(80 272 720)	(77 598 892)	(17 987 709)	(23 827 364)	58 714 298	(6 904 426)	(60 195 591)	(242 704 107)
As at March 31, 2016										
Current assets	355 638 558	4 563 040 835	2 058 265 220	3 329 726 333	106 383 053	528 500 385	6 159 025 228	297 175 716	(5 510 065 582)	11 887 689 746
Non- current assets	1 311 783 359	22 924 697 927	4 069 856 089	1 678 655 090	186 617 022	--	24 287 511 493	955 126 432	(25 974 983 339)	29 439 264 073
Total assets	1 667 421 917	27 487 738 762	6 128 121 309	5 008 381 423	293 000 075	528 500 385	30 446 536 721	1 252 302 148	(31 485 048 921)	41 326 953 819
Current liabilities	1 400 664 960	2 189 766 626	3 695 783 296	2 384 869 810	169 305 681	536 034 687	6 825 085 789	837 997 371	(5 547 310 736)	12 492 197 484
Non-current liabilities	169 171 560	14 483 840 923	--	2 162 935 796	300 812 791	--	1 452 532 496	116 702 939	(1 475 479 845)	17 210 516 660
Owners' equity	97 585 397	10 814 131 213	2 432 338 013	460 575 817	(177 118 397)	(7 534 302)	22 168 918 436	297 601 838	(24 462 258 340)	11 624 239 675
Total liabilities and equity	1 667 421 917	27 487 738 762	6 128 121 309	5 008 381 423	293 000 075	528 500 385	30 446 536 721	1 252 302 148	(31 485 048 921)	41 326 953 819

(In the notes all amounts are shown in EGP unless otherwise stated)

	Agriculture food industries	Energy	Transportation and logistics	Cement	Metallurgy	Speciality real estate	Financial service	Mining	Eliminations	Total
For the period ended										
March 31, 2015										
Operating revenue	189 713 306	564 583 029	22 227 111	442 537 592	40 094 865	--	3 636 459	--	--	1 262 792 362
Operating cost	(138 191 498)	(485 837 088)	(25 230 377)	(308 134 875)	(34 582 343)	--	(2 696 779)	--	--	(994 672 960)
Gross profit (loss)	51 521 808	78 745 941	(3 003 266)	134 402 717	5 512 522	--	939 680	--	--	268 119 402
Net (loss) / profit for owners of the Company	(39 513 826)	(404 006)	(85 921 935)	(87 209 705)	(21 713 780)	(12 654 603)	(83 402 035)	--	218 659 654	(112 160 236)
As at December 31,2015										
Current assets	486 666 801	4 123 228 321	588 314 641	3 201 009 244	89 566 997	556 552 394	6 254 842 853	266 882 949	(5 516 130 393)	10 050 933 807
Non- current assets	1 275 805 867	19 328 236 766	4 735 628 812	1 581 470 552	170 922 998	--	23 359 962 418	870 516 708	(24 203 709 858)	27 118 834 263
Total assets	1 762 472 668	23 451 465 087	5 323 943 453	4 782 479 796	260 489 995	556 552 394	29 614 805 271	1 137 399 657	(29 719 840 251)	37 169 768 070
Current liabilities	1 455 391 297	2 938 977 318	1 726 341 419	2 189 989 471	162 343 576	541 164 413	6 969 432 139	728 519 949	(5 238 786 064)	11 473 373 518
Non-current liabilities	169 998 011	10 884 073 305	1 347 298 150	1 995 631 191	257 277 108	--	1 271 870 103	115 626 234	(1 287 337 838)	14 754 436 264
Owners' equity	137 083 360	9 628 414 464	2 250 303 884	596 859 134	(159 130 689)	15 387 981	21 373 503 029	293 253 474	(23 193 716 349)	10 941 958 288
Total liabilities and equity	1 762 472 668	23 451 465 087	5 323 943 453	4 782 479 796	260 489 995	556 552 394	29 614 805 271	1 137 399 657	(29 719 840 251)	37 169 768 070

<u>Agriculture food industries</u>

- Wafra Agriculture S.A.E Group.
- Falcon for Agriculture Investments Group
- Everys Holding Limited

<u>Energy sector</u>

- Silverstone Capital Investments Ltd. Group
- Orient Investment Properties Ltd. Group
- Ledmore Holdings Ltd. Group – Note 21
- Tawazon for Solid Waste Management (Tawazon) company Group
- Qalaa Energy Ltd.

<u>Transportation and logistics</u>

- Africa Railways Holding
- Africa Railways Limited
- Citadel Capital Transportation Opportunities Ltd. Group
- KU Railways Holding Limited – Note 21
- Ambience Ventures Ltd.

<u>Cement sector</u>

- National Development and Trading Company Group

<u>Metallurgy</u>

- United Foundries

<u>Specialist real estate sector</u>

- Mena Home Furnishings Malls Ltd Group. (Note 21)

<u>Financial Services sector</u>

- Citadel Capital S.A.E.
- Citadel Capital Ltd.
- Sequoia Williow Investments Ltd.
- Arab Company for Financial investments
- Lotus Alliance Limited
- Citadel Capital Holding for Financial Investments–Free Zone
- Citadel Capital for International Investments Ltd.
- International for Mining Consultation

- International for refinery Consultation
- Tanweer for Marketing and Distribution Company (Tanweer)
- Financial Unlimited for Financial Consulting
- Citadel Company for Investment Promotion
- National Company for Touristic and Property Investment
- United for Petroleum Refining Consultation
- Specialized for Refining Consulting
- Specialized for Real Estate Company
- National Company for Refining Consultation
- Citadel Capital Algeria
- Valencia Trading Holding Ltd.
- Andalusia Trading Investments
- Citadel Capital Financing Corp.
- Brennan Solutions Ltd.
- Mena Enterprises Ltd.
- Alcott Bedford Investments Ltd.
- Eco-Logic Ltd.
- Alder Burke Investments Ltd.
- Black Anchor Holdings Ltd.
- Cobalt Mendoza
- Africa Railways Investments Ltd.
- Darley Dale Investments Ltd.
- Citadel Capital Joint Investment Fund Management Limited
- Mena Joint Investment Fund
- Trimestone Assets Holding Limited – BVI
- Cardinal Vine Investments Ltd.
- Global Service Realty Ltd.
- Crondall Holdings Ltd.
- Mena Joint Investment Fund
- Africa Joint Investment Fund
- Underscore International Holdings Ltd.
- Valencia Regional Investment Ltd
- Sphinx Egypt for Financial Consulting Company
- Investment Co. for Modern Furniture.

<u>Mining sector</u>

- ASEC company for mining Group (ASCOM)

(In the notes all amounts are shown in EGP unless otherwise stated)

45. Tax status of the parent company

Corporate tax

The Company submitted its tax returns on regular basis for the years from 2005 to 2014 according to tax law No. 91/2005. The Company's books have not been inspected yet.

Salaries tax

The Company deducts the salaries tax according to tax law no. 91 / 2005 and the Company's books inspected for the period from launch till the date of 31/12/2009 but the authority did not inform the Company with results yet. And the years from 2010/2014 have not been inspected yet.

Stamp tax

The Company was inspected till July 31, 2006 and paid all the accrued amounts according to the Internal Committee decision and for the period from August 1, 2006 to December 31, 2013 has been inspected and the dispute has transferred to Internal Committee in the Authority And the year 2014 has not been inspected yet.

Withholding tax

The Company applies the withholding tax provisions on its transactions with private sector according to tax law No. 91/2005 and no tax inspection for withholding tax has taken place yet.

46. Group entities

Company's name	Country of incorporation	Ownership interest Direct %	Ownership interest Indirect %
Citadel Capital Holding for Financial Investments	Arab Republic of Egypt–Free Zone	99.99	--
Citadel Capital for International Investments Ltd.	British Virgin Island	100.00	--
Bright Living	Arab Republic of Egypt	--	56.17
International for Mining Consultation	Arab Republic of Egypt	99.99	--
International for Refinery Consultation	Arab Republic of Egypt	--	99.99
Arab Company for Financial Investments	Arab Republic of Egypt	--	94.00

(In the notes all amounts are shown in EGP unless otherwise stated)

Company's name	Country of incorporation	Ownership interest Direct %	Ownership interest Indirect %
Tanweer for Marketing and Distribution Company (Tanweer)	Arab Republic of Egypt	--	99.88
Financial Unlimited for Financial Consulting	Arab Republic of Egypt	--	99.88
Citadel Company for Investment Promotion	Arab Republic of Egypt	--	99.90
National Company for Touristic and Property Investment	Arab Republic of Egypt	--	99.88
United for Petroleum Refining Consultation	Arab Republic of Egypt	--	99.99
Specialized for Refining Consulting	Arab Republic of Egypt	--	99.99
Specialized for Real Estate Company	Arab Republic of Egypt	--	99.99
National Company for Refining Consultation	Arab Republic of Egypt	--	99.99
Citadel Capital Algeria	Republic of Algeria	--	99.99
Citadel Capital Ltd.	British Virgin Island	--	100.00
Valencia Trading Holding Ltd.	British Virgin Island	--	100.00
Andalusia Trading Investments	British Virgin Island	--	100.00
Lotus Alliance Limited	British Virgin Island	--	85.70
Citadel Capital Financing Corp.	British Virgin Island	--	100.00
Ambience Ventures Ltd.	British Virgin Island	--	100.00
Africa Railways Limited *	British Virgin Island	--	37.85
Sequoia Williow Investments Ltd.	British Virgin Island	--	100.00
Brennan Solutions Ltd.	British Virgin Island	--	100.00
Mena Enterprises Ltd.	British Virgin Island	--	100.00
Alcott Bedford Investments Ltd.	British Virgin Island	--	100.00
Eco-Logic Ltd.	British Virgin Island	--	100.00
Alder Burke Investments Ltd.	British Virgin Island	--	100.00
Black Anchor Holdings Ltd.	British Virgin Island	--	100.00
Cobalt Mendoza	British Virgin Island	--	100.00
Africa Railways Investments Ltd.	British Virgin Island	--	100.00
Darley Dale Investments Ltd.	British Virgin Island	--	100.00
Africa Railways Holding	Republic of Mauritius	--	66.24
Citadel Capital Joint Investment Fund Management Limited	Republic of Mauritius	--	100.00
Mena Joint Investment Fund	Luxembourg	--	100.00
Wafra Agriculture S.A.E	Arab Republic of Egypt	--	99.99

(In the notes all amounts are shown in EGP unless otherwise stated)

Company's name	Country of incorporation	Ownership interest	
		Direct %	Indirect %
Valencia Assets Holding Ltd.	British Virgin Island	--	100.00
Sabina for Integrated Solutions Ltd.	Sudan	--	96.00
Concord Agriculture	South Sudan	--	96.00
Trimestone Assets Holding Limited – BVI	British Virgin Island	--	100.00
Cardinal Vine Investments Ltd.	British Virgin Island	--	100.00
Global Services Realty	British Virgin Island	--	100.00
Silverstone Capital Investments Ltd.	British Virgin Island	--	61.56
Taqa Arabia Company	Arab Republic of Egypt	--	93.67
Gas and Energy Company (GENCO Group) – SAE	Arab Republic of Egypt	--	99.99
Taqa for Electricity ,Water and Cooling- SAE	Arab Republic of Egypt	--	98.74
Taqa for Marketing Petroleum Products- SAE	Arab Republic of Egypt	--	99.99
Gas and Energy Group Limited	British Virgin Island	--	99.99
Genco for Mechanical and Electricity Work	Qatar	--	99.99
Qatar Gas Group Limited *	Qatar	--	45.00
Arab Company for Gas Services *	Libya	--	49.00
Arabian Libyan Company for Energy	Libya	--	65.00
National Development and trading Company	Arab Republic of Egypt	47.65	21.63
Arab Swiss Engineering Co. (ASEC)	Arab Republic of Egypt	--	99.97
ASEC for Manufacturing and Industries Project Co. (ARESCO)	Arab Republic of Egypt	--	99.80
ASEC Cement Co.	Arab Republic of Egypt	1.86	70.03
ASEC Environmental Protection Co. (ASENPRO)	Arab Republic of Egypt	--	63.01
ASEC Automation Co.	Arab Republic of Egypt	--	53.64
ESACO for Manufacturing Engineering and Construction	Limited partnership Company	--	70.00
Grandiose Services Ltd.	British Virgin Island	--	100.00
ASEC Integrated – Sudan	Sudan	--	99.90
Al Takamoul for Cement Ltd. Co.	Arab Republic of Egypt	--	51.00
ASEC Algeria Cement Co.	Algeria	--	60.89
ASEC Syria Cement Co.	Syria	--	99.99
Dejalfa Offshore	British Virgin Island	--	54.53

(In the notes all amounts are shown in EGP unless otherwise stated)

Company's name	Country of incorporation	Ownership interest Direct %	Ownership interest Indirect %
ASEC Trading Company	Arab Republic of Egypt	--	99.88
Berber for Electricity – limited	Sudan	--	51.00
United Foundries Company	Arab Republic of Egypt	29.29	38.17
Ledmore Holdings Ltd.	British Virgin Island	--	75.37
National Company for Marine Petroleum Services "PETROMAR"	Arab Republic of Egypt-FZ	--	93.54
Mashreq Petroleum Company	Arab Republic of Egypt	--	94.99
El Dawlia for Bunkering Services	Arab Republic of Egypt	--	70.00
Mena Home Furnishings Malls Ltd.	British Virgin Island	--	60.18
Bonian for Trade and Development	Arab Republic of Egypt	--	99.99
Investment Company for Modern Furniture	Arab Republic of Egypt	--	99.88
Citadel Capital Transportation Opportunities Ltd.	British Virgin Island	--	67.55
Nile Logistics S.A.E.	Arab Republic of Egypt	--	99.99
Citadel Capital Transportation Opportunities II Ltd- Malta	Republic of Mauritius	--	81.62
National Company for Multimodal Transport S.A.E.	Arab Republic of Egypt	--	99.88
National Company for River Transportation - Nile Cargo S.A.E.	Arab Republic of Egypt	--	99.99
National Company for River Ports Management S.A.E.	Arab Republic of Egypt	--	99.88
National Company for Martime Clearance S.A.E.	Arab Republic of Egypt	--	99.98
EL -Orouba Company for Land Transportation S.A.E.	Arab Republic of Egypt	--	99.98
NMT for Trading S.A.E	Arab Republic of Egypt	--	99.99
National Company for Marina Ports Management	Arab Republic of Egypt	--	99.90
NRTC Integrated Solutions Co Ltd.	Sudan	--	99.00
Nile barges for River transport Co Ltd.	Sudan	--	99.00
Regional River Investment Ltd	British Virgin Island	--	100.00
Falcon for Agriculture Investments	British Virgin Island	--	54.90

(In the notes all amounts are shown in EGP unless otherwise stated)

Company's name	Country of incorporation	Ownership interest Direct %	Ownership interest Indirect %
National Company for Investments and Agriculture	Arab Republic of Egypt	--	99.99
National Company for Food products	Arab Republic of Egypt	--	99.99
Dina Company for Agriculture and Investments	Arab Republic of Egypt	--	99.99
Dina for Auto Services	Limited partnership Company	--	99.00
Arab Company for Services and Trade	Arab Republic of Egypt	--	99.67
National Company for Agriculture Products	Arab Republic of Egypt	--	99.88
El-Eguizy International for Economic Development	Arab Republic of Egypt	--	99.95
National Company for Integrated Food	Arab Republic of Egypt	--	99.99
Royal Food Company	Arab Republic of Egypt	--	99.99
Up-Date Company for Food Products	Limited partnership Company	--	85.00
Nile for Food Products "Enjoy"	Arab Republic of Egypt	--	99.99
Investments Company for Dairy Products	Arab Republic of Egypt	--	99.99
Tiba Farms for Agriculture Developments	Arab Republic of Egypt	--	95.88
Dina for Agriculture Development	Arab Republic of Egypt	--	100.00
National Company for Dairy Exchange	Arab Republic of Egypt	--	100.00
Mena Development Limited	British Virgin Island	--	100.00
Everys Holdings Limited	British Virgin Island	--	100.00
Orient Investment Properties Ltd.*	British Virgin Island	--	40.09
Arab Refining Company – S.A.E.	Arab Republic of Egypt	--	63.32
Egyptian Refining Company – S.A.E.– *	Arab Republic of Egypt	--	48.25
National Refining Company – S.A.E.	Arab Republic of Egypt	--	63.32
KU Railways Holding Limited-KURH	Republic of Mauritius	--	85.00
E A Rail & Handling Logistics Co. Limited	Republic of Mauritius	--	100.00
East African Rail And Handling Logistics Limited	Kenya	--	100.00
RVR Investments (Pty) Ltd.	Republic of Mauritius	--	100.00
Rift Valley Railways Kenya Co. (RVRK)	Kenya	--	100.00
Rift Valley Railways Uganda Co. (RVRU)	Uganda	--	100.00

(In the notes all amounts are shown in EGP unless otherwise stated)

Company's name	Country of incorporation	Ownership interest Direct %	Ownership interest Indirect %
Crondall Holdings Ltd.	British Virgin Island	--	94.53
Capella Management Investments Inc. Company	British Virgin Island	--	100.00
Lotus Management Investment Ltd. Company	British Virgin Island	--	100.00
Cordoba Investment Services Inc. Company	British Virgin Island	--	100.00
Tawazon for Solid Waste Management (Tawazon)	Arab Republic of Egypt	--	66.67
Egyptian Company for Solid Waste Recycling (ECARU)	Arab Republic of Egypt	--	75.63
Engineering Tasks Group (ENTAG)	Arab Republic of Egypt	--	75.73
Qalaa Energy Ltd.	British Virgin Island	--	100.00
Mena Joint Investment Fund**	Luxembourg	--	73.25
Africa Joint Investment Fund*	Republic of Mauritius	--	31.00
Underscore International Holdings Ltd.**	British Virgin Island	--	100.00
Valencia Regional Investment Ltd.**	British Virgin Island	--	100.00
Sphinx Egypt for Financial Consulting Company **	Arab Republic of Egypt	--	69.88
Sphinx capital corp	British Virgin Island	--	100.00
Melbourn Investments Ltd	British Virgin Island	--	100.00
Rotation Ventures Holdings Ltd	British Virgin Island	--	100.00
Borton Hill Investments Ltd	British Virgin Island	--	100.00
Metal Anchor Holdings Ltd.*	British Virgin Island	--	15.00
Tempsford Investments Ltd	British Virgin Island	--	100.00
ASEC company for mining (ASCOM)	Arab Republic of Egypt	54.74	--
ASCOM Carbonate & Chemical Manufacture Company	Arab Republic of Egypt–Free Zone	--	99.99
ASCOM for Geology & Mining- Syria	Limited partnership Company	--	95.00
Nebta for Geology & Mining-Sudan	Limited partnership Company	--	99.00
Glass Rock Insulation Company	Arab Republic of Egypt–Free Zone	--	92.50
ASCOMA Algeria	Republic of Algeria	--	99.40
Lazerg Travaux Public	Republic of Algeria	--	70.00
ASCOM Precious Metals Mining S.A.E	Arab Republic of Egypt	--	99.99

(In the notes all amounts are shown in EGP unless otherwise stated)

Company's name	Country of incorporation	Ownership interest Direct %	Ownership interest Indirect %
ASCOM Emirates for Mining UAE	Limited partnership Company Emirates	--	69.40
ASCOM Middle East	Joint Stock Company	--	100.00
Nubia Mining Development PLC	Limited partnership Company	--	52.80
Sahari Gold company	Limited partnership Company	--	99.99
ASCOM for Geology & Mining- Ethiopia	Limited partnership Company Ethiopia	--	99.99
ASCOM Precious Metals- Ethiopia	Limited partnership Company Ethiopia	--	99.99
ASCOM Precious Metals- Sudan	Limited partnership Company Sudan	--	99.99
Golden Resources company	Limited partnership Company	--	99.99
ASCOM Cyprus Ltd	Limited partnership Company Cyprus	--	99.99
International Company for Mineral Exploration- Cyprus	Limited partnership Company Cyprus	--	99.99
Golden International Ltd	Limited partnership Company	--	99.99

* The Group has the right to appoint the majority of the board of director's members which enables the Group to control the financial and operational polices. Consequently, these Companies have been consolidated.

** In December 2014 the company has increased its ownership interest in these companies and as a result the group has consolidated these companies and the mutual transactions between the group entities are eliminated in full with balances resulting from it. Also, the unrealized gains or losses from transactions with the group entities are eliminated taking into consideration that losses may indicate impairment in the exchanged assets that require recognition in the consolidated financial statements.

(In the notes all amounts are shown in EGP unless otherwise stated)

47. Capital Commitments

The capital commitments as at March 31, 2016 represented in the following:

47.1 Asec Algeria Cement Company (Asec Cement)

Contractor	Contract amount	Uncompleted part	Contract currency	Uncompleted part 31/3/2016	Uncompleted part 31/12/2015
FLSmidth Denmark Company	57 000 000	57 000 000	Euro	573 477 000	488 135 716
SARL MHDA	12 500 000	--	US dollar	--	--
Energya Company	23 699 815	3 683 591	US dollar	32 709 920	28 842 902
Energya Company	9 015 848	3 755 669	US dollar	33 349 965	29 407 281
TCB Company	2 909 211	1 292 646	EGP	1 292 646	1 292 646
CTC Company	39 500 000	14 188 400	DZD	1 149 260	1 037 303
Cetim Company	122 850 000	89 337 500	DZD	7 236 338	6 531 393
				649 215 129	555 247 241

47.2 ASEC for Manufacturing and Industries project Co. (ARESCO)

	Contract amount 31/3/2016	Contract amount 31/12/2015
Work shop (1)	675 000	675 000
Work shop (7)	3 285 000	3 285 000
Work shop (9)	370 000	370 000
Self-extinguishing system in the factory	100 350	100 350
Legal consultancy fees	2 400 000	2 400 000
Total	6 830 350	6 830 350

48. Contingent liabilities

The contingent liabilities as at March 31, 2016 are represented in the following:

48.1 ASEC Automation Co. (ASA)

	31/3/2016	31/12/2015
Letters of guarantee	11 933 365	14 980 217

(In the notes all amounts are shown in EGP unless otherwise stated)

48.2 ASEC Environmental Protection Co. (ASENPRO)

	31/3/2016	31/12/2015
Letters of guarantee	551 250	842 000

48.3 Arab Swiss Engineering Co. (ASEC)

	31/3/2016		31/12/2015	
	EURO	EGP	EURO	EGP
Letters of guarantee	36 037	35 347 047	36 037	34 799 473

48.4 ASEC for Manufacturing and Industries project Co. (ARESCO)

	31/3/2016			31/12/2015		
	EURO	US. $	EGP	EURO	US. $	EGP
Letters of guarantee	6 750 039	7 479 647	39 664 438	5 712 704	7 395 647	36 657 734

48.5 United Foundries Company

	31/3/2016	31/12/2015
Letters of credit (outstanding)	--	408 486
Letters of credit (cover)	--	20 756
	--	429 242

48.6 ASEC Company for Mining (ASCOM)

	31/3/2016	31/12/2015
Letters of guarantee – Uncovered portion (A)	35 986 394	35 986 394
Bank commitments for loans to subsidiaries (B)	277 650 233	295 076 120
	313 636 627	331 062 514

(A-1) The uncovered portion of letters of guarantee includes a letter of guarantee amounted to EGP 763 000 (equivalent to US.$ 100 000) issued from one of the banks the company deals with on behalf of ASCOM Carbonate & Chemical Manufacture Company (subsidiary) at October 3, 2007 and available for use until January 2, 2016.

(A-2) The uncovered portion of letters of guarantee includes a letter of guarantee amounted EGP 9 880 000 (equivalent to US.$ 1 295 000) issued from one of the banks the company deals with on behalf of Nebta for Geology & Mining-Sudan (subsidiary) at October 27, 2009 and available for use until February 10, 2016.

(B-1) ASEC company for mining (ASCOM) guarantees Glass Rock Insulation Company (subsidiary) concerning the loan provided to the subsidiary company from one of the banks the company deals with amounted EUR 27 802 000 due to the subsidiary's inability to pay its obligations resulting from the mentioned loan.

(B-2) ASEC company for mining (ASCOM) and the UAE Partner guarantee ASCOM Emirates for Mining UAE (subsidiary) concerning the loan provided to the subsidiary company from one of the banks the company deals with amounted AED 28 000 000 due to the subsidiary's inability to pay its obligations resulting from the mentioned loan.

49. Employees Stock Option Plan

The Company's extraordinary meeting held on February 20, 2008 approved to add a new article to the Company Article of Association to adopt a plan or more to motivate employees, managers and executive board of directors – Employees stock option plan (ESOP) in accordance with decision no. 282 for 2005 which modified executive regulation for the law no. 159 / 1981.

On June 22, 2008 the Capital Market Authority approved the ESOP plan and the Company does not start to apply it yet.

50. Contingent liabilities

The Company guarantees some related parties against loans and facilities obtained by those parties from banks.

51. Comparative figures

The following table summarizes the adjustments on the consolidated financial position as at December 31, 2015 and the consolidated income statement as at March 31, 2015, in addition certain comparative figures have been reclassified to conform with the current period presentation.

(In the notes all amounts are shown in EGP unless otherwise stated)

	Balance as at 31/12/2015 (as previously reported)	Reclassification and restates	Balance as at 31/12/2015 (as restated)
Statement of financial position			
Investments in associates	899 994 224	(6 120 147)	893 874 077
Trade and other receivables (net)-	1 357 698 069	64 462	1 357 762 531
Assets classified as held for sale	2 473 539 263	(678 844)	2 472 860 419
Total change in assets		(6 734 529)	
Creditors and other credit balances	1 469 403 194	3 167 601	1 472 570 795
Liabilities classified as held for sale	1 013 436 568	(1 594 246)	1 011 842 322
Total change in liabilities		1 573 355	
Retained loss	(6 650 504 492)	(5 438 109)	(6 655 942 601)
Non - controlling interests	8 152 325 712	(2 869 775)	8 149 455 937
Total change in shareholder's equity		(8 307 884)	

	Total till 31/3/2015 (as previously reported)	Reclassification and restates	Total till 31/3/2015 (as restated)
Income statement			
Continued operation			
Operating income	1 947 518 383	(684 726 021)	1 262 792 362
Operating costs	(1 567 809 938)	573 136 978	(994 672 960)
Share of loss/profit of investment in associate	55 550 863	(28 839 931)	26 710 932
Administrative expenses	(273 046 951)	82 903 245	(190 143 706)
Other expenses	(11 001 368)	(487 021)	(11 488 389)
Finance costs	(256 238 430)	56 241 302	(199 997 128)
Income tax	(41 179 034)	20 803 483	(20 375 551)
Total change in continued operation		19 032 035	
Net loss from discontinued operation *	(69 019 322)	(19 032 035)	(88 051 357)
Total change in income statement		--	

* Note (21-22)

52. Significant accounting policies

52.1 Business Combination

- The Group accounts for business combinations using the acquisition method when control is transferred to the Group.
- The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired.
- Any goodwill that arises is tested annually for impairment, any gain on a bargain purchase is recognized immediately in profit or loss.
- Transaction costs are expensed as incurred, except if related to the issue of debtor equity securities.
- The consideration transferred doesn't include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.
- Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re measured and settlement is accounted for within equity. Otherwise, other contingent consideration is re measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

52.2 Subsidiaries

- Subsidiaries are entities controlled by the Group.
- The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
- The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

52.3 Non-controlling interests

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

52.4 Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

52.5 Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, where by the Group has rights to the net assets of the arrangement.

Rather than rights to its assets and obligations for its liabilities. Interests in associates and the joint venture are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

52.6 Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

52.7 Foreign currency

52.7.1 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss. However, foreign currency differences arising from the translation of the following items are recognized in OCI:

- Available-for-sale equity investments (except on impairment, in which case foreign currency differences that have been recognized in OCI are reclassified to profit or loss);
- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective.
- Qualifying cash flow hedges to the extent that the hedges are effective.

52.7.2 Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates at the reporting date. The income and expenses of foreign operations are translated at the exchange rates at the dates of the transactions.

Foreign currency differences are recognized in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

52.8 Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.
When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative period.

52.9 Revenue

52.9.1 Gain (loss) on sale of investments

Gain (loss) resulting from sale of investments are recognized on transaction date and measured by the difference between cost and selling price less selling commission and expenses. In case of derecognizing of investments in associates, the difference between the carrying amount and the sum of both the consideration received and cumulative gain or loss that had been recognized in shareholders' equity shall be recognized in income statement.

52.9.2 Dividend income

Dividend income is recognized when declared.

52.9.3 Interest income and expenses

Interest income and expenses are recognized in the income statement under "Interest income" item or "Interest expenses" by using the effective interest rate method of all instruments bearing interest other than those classified held for trading or which have been classified at inception "fair value through income statement".

52.9.4 Fee and commission income

Fee related to servicing the loan or facility are recognized in income when performing the service while the fees and commissions related to non-performing or impaired loans are not recognized, instead, they are to be recorded in marginal records off the financial position. Then they are recognized within the income pursuant to the cash basis when the interest income is collected. As for fees which represent an integral part of the actual return on the financial assets, they are treated as an amendment to the rate of actual return.

52.9.5 Management fee

Management fee is calculated as determined by the management contract of each investment fund & portfolio and recorded on accrual basis.

52.9.6 Advisory fee

Advisory fee is calculated based on agreed percentage in accordance with contract term with companies upon rendering the service.

52.9.7 Services

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

52.9.8 Finance lease income

Income resulted from lease contracts is recognized based on internal return rate resulted from lease contracts in addition to the equivalent amount of a periodical depreciation installment. The differences between the income recognized and accrued rental value for the same period is suspended in a separate account, and is to be settled with the carrying amount of the leased assets at the end of contract period.

52.9.9 Investment property rental income

Rental income from investment property is recognized as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease. Rental income from other property is recognized as other income.

52.9.10 Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, and the amount of revenue can be measured reliably.

52.9.11 Construction contracts

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably.

As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognized in profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed by survey of work performed.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognized immediately in profit or loss.

52.9.12 Cars conversion revenues

Revenue is recognized upon the completion of preparing cars to function using natural gas instead of Benzene upon issuing the invoice to the client.

52.9.13 Gas sales revenues

For actual gas sales, the company remits the funds it collects to EGPC net of its actual commission, which is calculated as a percentage of gas consumption.

52.9.14 Fuelling revenues

Revenues is recognized when supplying ships with fuel.

52.9.15 Natural gas revenues

Revenues is recognized when supplying cars with natural gas service is rendered.

52.9.16 Financial guarantees contracts revenues

- The main revenue for the company is represented in the commissions, which is the difference between the return on the funding given to the micro-projects and the company's bank dues by deducting the revenue from the services directly from the amounts to be collected from the owners of the projects.

- Recognition of the benefits and commissions resulting from performing the service according to the accrual basis as soon as the performance of the service to the client only if those revenues more than cover the financial year are recognized on a time proportion basis.
- Administrative commission of 3% of the value of the loan granted to customers are collected and that when hiring and are consumed on the duration of the loan.
- Interest of deposits are recognized according to the accrual basis of the temporal distribution throughout the year until the maturity date.
- Commission to delay for the payment of premiums is collected at rates to be agreed upon within the contracts and are recognized as soon as customers delayed payment on the basis of extended delay.

52.10 Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

52.10.1 Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

52.10.2 Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(In the notes all amounts are shown in EGP unless otherwise stated)

52.11 Property, plant and equipment

52.11.1 Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of certain items of property, plant and equipment. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

52.11.2 Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

52.11.3 Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated. The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Assets depreciation	Estimated useful life
- Buildings & Constructions	5 -50 years
- Lease hold improvements	3 -10 years
- Machinery, Equipments & tools	4 -33 years
- Furniture & Fixtures	4 -16 years
- Computers	2 -10 years
- Transportation means	3 -15 years
- Barges	5 -20 years

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditure, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the property and equipment, all other expenditure is recognized in the income statement as an expense as incurred.

52.11.4 Biological assets

Biological assets and agricultural products are measured at fair value less estimated costs to sell, with any change therein recognised in profit or loss. The following is the measurement of the biological assets:

Corn, cotton and sunflowers	fair value less cost to sell
Fruitful fruit gardens and orchards	3- 50 years
Pregnant heifer, dry and dairy cows	56 months

52.11.5 Reclassification to investment property

When the use of a property changes from owner-occupied to investment property.

52.12 Projects under construction

Projects under construction are recognized initially at cost, the book value is amended by any impairment concerning the value of these projects cost includes all expenditures directly attributable to bringing the asset to a working condition for its intended use. Property and equipment under construction are transferred to property and equipment caption when they are completed and are ready for their intended use.

52.13 Work in process

Work in process represents the cost of work not invoiced to the customer for contract work performed to date.

Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

52.14 Intangible assets and goodwill

- **Goodwill**

  Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

- **Research and development**

  Expenditure on research activities is recognized in profit or loss as incurred.

  Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

- **Other intangible assets**

  Other intangible assets, are measured at cost less accumulated amortisation and any accumulated impairment losses.

52.15 Exploration and valuation assets

Recognition

- All costs arising from acquiring exploration assets are capitalized in addition to all future costs against granting the exploration right.
- Drilling and exploration costs are initially capitalized until drilling results evaluated, the evaluation process should take place periodically and costs should be capitalized as intangible assets until the evaluation results refer to the existence of mineral resources, and if that does not happen all costs should be recognized directly in the income statement.
- Non monetary assets that have no physical existence acquired for the business purposes and expected to generate future economic benefits are recorded as intangible assets. Intangible assets mainly include quarry site preparation costs.

Measurement

Intangible assets are measured at cost which is represented in the cash amount at the recognition date. If payment is deferred the difference between the cash price and the total payment is recognized as interest in the income statement. Intangible assets are presented at net of amortization and accumulated impairment losses (Note 3.18).

52.16 Investment property

Investment property is measured at cost on initial recognition.

Subsequent to initial recognition investment property is measured at cost less accumulated depreciation and impairment loss, if any. Investment property is depreciated on a straight line basis over is useful life.

52.17 Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

52.18 Financial instruments

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

The Group classifies non-derivative financial liabilities into the following categories: financial liabilities at fair value through profit or loss and other financial liabilities category.

52.18.1 Non-derivative financial assets and financial liabilities – Recognition and Derecognition

The Group initially recognises loans and receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date when the entity becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

52.18.2 Non-derivative financial assets – Measurement

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, including any interest or dividend income, are recognised in profit or loss.

Held-to-maturity financial assets

These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Loans and receivables

These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Available-for-sale financial assets

These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments are recognised in OCI and accumulated in the fair value reserve. When these assets are derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

52.18.3 Non-derivative financial liabilities – Measurement

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. Financial liabilities at fair value through profit or loss are measured at fair value and changes therein, including any interest expense, are recognized in profit or loss.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

52.18.4 Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

Derivatives are initially measured at fair value; any directly attributable transaction costs are recognized in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

52.18.5 Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss.

The amount accumulated in equity is retained in OCI and reclassified to profit or loss in the same period or periods during which the hedged forecast cash flows affects profit or loss or the hedged item affects profit or loss.

If the forecast transaction is no longer expected to occur, the hedge no longer meets the criteria for hedge accounting, the hedging instrument expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to profit or loss.

52.19 Share capital

52.19.1 Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with EAS 24.

52.19.2 Repurchase and reissue of ordinary shares (treasury shares)

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

52.20 Legal reserve

The Company's statutes provides for deduction of a sum equal to 5% of the annual net profit for formation of the legal reserve. Such deduction will be ceased when the total reserve reaches an amount equal to half of the Company's issued capital and when the reserve falls below this limit, it shall be necessary to resume.

52.21 Impairment

52.21.1 Non-derivative financial assets

Financial assets not classified as at fair value through profit or loss, including an interest in an equity accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- Default or delinquency by a debtor;
- Restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- Indications that a debtor or issuer will enter bankruptcy;
- Adverse changes in the payment status of borrowers or issuers;
- The disappearance of an active market for a security because of financial difficulties.

- Observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost. The Group considers a decline of 20% to be significant and a period of nine months to be prolonged.

Financial assets measured at amortized cost

The Group considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognized by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortization) and the current fair value, less any impairment loss previously recognized in profit or loss. If the fair value of an impaired available-for-sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognized, then the impairment loss is reversed through profit or loss. Impairment losses recognized in profit or loss for an investment in an equity instrument classified as available-for-sale are not reversed through profit or loss.

Equity-accounted investees

An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognized in profit or loss, and is reversed if there has been an estimates used to determine the recoverable amount.

52.21.2 Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment property and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

52.22 Provisions

Provisions are recognized when the Group has a legal or constructive current obligation as a result of a past event and it's probable that a flow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Provisions are reviewed at the financial position date and amended (when necessary) to represent the best current estimate.

52.23 Treasury bills

Treasury bills are recorded at nominal value and the unearned income is recorded under the item of "creditors and other credit balances". Treasury bills are presented on the financial position net of the unearned income.

52.24 Trade, and notes receivables, debtors and other debit balances

- Trade, notes receivables, debtors and other debit balances are stated at nominal value less impairment losses.
- The Company's lessees and the leased assets are regularly classified & evaluated and their obligations are reduced by the rent value paid in each financial period, and with the assurance of the availability of adequate guarantee to collect the client's rent values.
- The provision for doubtful debts is calculated on the investment cost of the leased assets (cost of leased assets in addition to its return at the date of calculating the provision) which are uncertainly collected i.e. (doubtful rent value) after deducting the credit deposits held by the Company. The Company's provisions committee specifies the provision percentage for each credit class which is calculated according to the risk rates of the doubtful rent values or according to the negative changes of the credit indicators, this provision is reviewed regularly or whenever there is a need to do so.

52.25 Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the moving average principle and includes expenditure incurred in acquiring the inventories and bringing it to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on the normal operating capacity.

52.26 Trade and other payables

Short-term trade and other payables are stated at cost.

52.27 Contracts financial guarantees

Financial guarantee contracts are those contracts issued by the company to ensure given loans to customers from third parties, which require the company to do certain repayments to compensate the beneficiary for the loss incurred due to the failure of a debtor when repayable in accordance with the terms of a debt instrument, and provide those financial guarantees to banks and financial institutions and others on behalf of the company's customers.
The initial recognition of financial guarantees in the financial statements at fair value at the date of grant of security which is equal to the warranty fees. Later, it is measured by the company's commitment under the guarantee on the basis of the amount of the initial measurement less depreciation calculated for the recognition of guarantee fees in the income statement on a straight-line basis over the life of the warranty or the best estimate of payments required to settle any financial obligation arising from financial guarantee at the balance sheet date, whichever is higher. And those estimates are determined according to the experience in similar transactions and historical losses enhanced by virtue of the administration. Any increase in liabilities resulting from the financial guarantee is included at the income statement under general and administrative expenses.

52.28 Cash and cash equivalents

For the purpose of preparing the statement of cash flows, cash and cash equivalents includes the balances, whose maturity do not exceed three months from the date of acquisition, cash on hand, cheques under collection and due from banks and financial institutions.

52.29 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the income statement attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

52.30 Profit sharing to employees

The holding company pays 10% of its cash dividends as profit sharing to its employees provided that it will not exceed total employees annual salaries. Profit sharing is recognized as a dividend distribution through equity and as a liability when approved by the Company's shareholders.

52.31 Interest bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, Interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest rate basis.

52.32 Dividends

Dividends are recognised as a liability in the year in which they are declared.

52.33 Employees benefits

Pensions

The Group contributes to the government social insurance system for the benefit of its personnel in accordance with the social insurance law. Under this law employees and employers contribute to the system a fixed percentage of the employees' salaries basis. The Group's liability is confined to such contributions amount. Contributions are charged to the income statement using the accrual basis of accounting.

Other short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.
A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

52.34 Share – based payments

For Equity-settled share-based payment transactions, the entity shall measure the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If the entity cannot estimate reliably the fair value of the goods or services received, the entity shall measure their value, and the

corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.
The entity shall settle the grant of equity instruments during the vesting period with the amount that would otherwise have been recognized for services received. The entity accounted for any settlements as a deduction from equity based on the final share price when the options are exercised.

52.35 Borrowing costs

Borrowing costs are recognized as expenses in the profit or loss when incurred, with the exception of borrowing cost directly attributable to the construction and acquisition of new assets which is capitalized as part of the relevant assets cost and depreciated over assets' estimated useful lives. This capitalization ceases once the assets become in operational condition and ready for use.

52.36 Financial lease

Payments made under financial lease contracts are recognized as general and administrative expenses in the income statement during the period.

52.37 Employees' compulsory government social insurance share

The Company contributes to the government social insurance share for the benefit of its personnel in accordance with the social insurance law. Under this law, the employees and the employers contribute into the system on a fixed percentage-of-salaries basis. The company's liability is confined to the amount of its contribution. Contributions are charged to income statement using the accrual basis of accounting.

52.38 Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

52.39 Operating segment

A segment is a group assets and related operations which is subjected to risks and rewards that are different from those of other segments or within the same economic environment which characterized by its particular risk and rewards from those that are related, to segment operated in different economic environment. The Group has eight reportable segments, which represent the Group's strategic divisions. those divisions offer different products and services, and are managed separately because they require different technology and marketing strategies (Note 44)

52.40 New Egyptian Accounting Standards and its application

On July 9, 2015 the minister Decree No. 110 for the year 2015 was issued to modify the Egyptian Accounting Standards "EAS" by modifying some of the existing and issuing new to replace the old one that was issued by the ministry decree No. 243 for the year 2006 and to start using the new standards after January 1, 2016 to be used by the entities that it's financial year starts in or after that date

In the following table the most prominent amendments on the Egyptian Accounting Standards (EAS) that may have a significant impact on the financial statements of the company at the beginning of the implementation thereof:

New or amended standards	Summary of the most significant amendments	Possible impact on the financial statements
EAS (1) Presentation of Financial Statements	*Statement Of Financial Position* • The standard does not require to present the working capital presentation. The reference financial statements that was included in 2006 Standards was excluded; which presented the working capital presentation. • A column shall be added to the statement of financial position including balances of the beginning of the first presented comparative period in case of retrospective implementation or change in an accounting policy or reclassification carried out by the entity.	• Re-presenting all the presented financial statements, disclosures and their accompanying notes including the comparative figures to be in conformity with the required amendments to the standard.
	Income Statement (Profit or Loss)/Statement of Comprehensive Income The entity shall disclose all recognized income and expense captions during the financial period in two separate statements; one of them presents the profit or loss components (*Income Statement*) and the other one starts with the profit or loss and presents the other comprehensive income items *(Statement of Comprehensive Income)*.	• Adding a new statement, '*Statement of Comprehensive Income*', for the current and comparative period.

New or amended standards	Summary of the most significant amendments	Possible impact on the financial statements
EAS (10) Property, Plant and Equipment *(PPE)*	• The financial shall disclose amount movement of the PPE and its depreciations in the notes accompanying the financial statements at the beginning and the end of the current period and the comparable period.	Re-presenting the comparative figures related to the PPE in the notes accompanying the financial statements to be in conformity with the required amendments on the standard.
	• The option of using the revaluation model in the subsequent measurement of PPE has been canceled	Currently, the management is assessing the potential impacts on its financial statements resulting from application of the standard
EAS (23) Intangible Assets	• The option of using the revaluation model in the subsequent measurement of intangible assets has been canceled.	The amendment on the standard has no impact on the figures presented in the financial statements.
EAS (34) Investment Property	• The option of using the fair value model in the measurement after recognition of the Property Investment has been canceled.	The fair value of the investment at the beginning of the implementation of this Standard shall be considered deemed cost of that investment for the purposes of the subsequent accounting treatment according to EAS (10) "PPE".

New or amended standards	Summary of the most significant amendments	Possible impact on the financial statements
EAS (41) Operating Segments	• EAS 33 "Segment Reports" has been replaced with EAS (41) "Operating Segments". Accordingly, the disclosure and the volume of the required disclosures that the Segment Reports must disclose on; mainly depends on the Segments information presented to Chief Operating Decision Maker (CODM) of the entity to make decisions on the resources that must be allocated to the segment and assess its performance.	On the date of implementing the standards, the entity shall re-present the information corresponding to the earlier periods including the interim periods, unless the information is not available and the cost of preparing such information is too high.
EAS (25) Financial Instruments: Presentation	Any financial instrument with a resale right shall be classified as an equity instrument instead of classifying it as a financial liability; if it meets the conditions in accordance with the paragraphs (16 A and 16 b) or paragraphs (16 c and 16 d) of the same Standard, from the date the instrument has all the features and meets all the conditions set out in those paragraphs. The Entity shall re-classify the financial instrument from the date the instrument ceases to have all the features or meet all conditions set out in those paragraphs.	Re-presenting any financial instrument meets all the conditions including all the presented comparative periods.

New or amended standards	Summary of the most significant amendments	Possible impact on the financial statements
EAS (40) Financial Instruments: Disclosures	• A new Egyptian Accounting Standard No.(40) *"Financial Instruments: Disclosures"* was issued including all the disclosures required for the financial instruments. Accordingly, EAS (25) was amended by separating the disclosures from it. The name of the Standard became *"Financial Instruments: Presentation"* instead of "Financial Instruments: Presentation and Disclosure"	Retroactive amendment to all the comparative figures of the presented disclosures shall be carried out.
Egyptian Standard No. (45) Fair Value Measurement	The new Egyptian Accounting Standard No. (45) *"Fair Value Measurement"* was issued and shall be applied when another Standard requires or allows measurement or disclosure to be made at fair value. This Standard aims the following: (a) Defining the fair value (b) Laying down a framework to measure the fair value in one Standard and (c) Identifying the disclosure required for the fair value measurements.	Currently, the management is assessing the potential impacts on its financial statements resulting from application of the standard.

New or amended standards	Summary of the most significant amendments	Possible impact on the financial statements
<u>Egyptian Standard No. (29)</u> Business Combination	The purchase method was cancelled and replaced by the acquisition method; as results: 1- Changing the acquisition cost to become the cash consideration transferred; and to be measured at fair value at the acquisition date. 2- Contingent consideration: the fair value of the consideration shall be recognized at the acquisition date as a part of consideration transferred. 3- Changing the method of measuring goodwill in case of Step Acquisition is made. • Adding a choice to measure non - controlling interests in the acquiree at fair value at the date of acquisition. • The transaction cost (the cost related to the acquisition): Shall be charged to the Income Statement as an expense in which the costs incurred it and shall not be added to the cash consideration transferred; except for the costs of issuing equity as debt instruments directly related to the acquisition process.	Currently, the management is assessing the potential impacts on its consolidated financial statements resulting from application of the standard.

New or amended standards	Summary of the most significant amendments	Possible impact on the financial statements
Egyptian Standard No.(42): The Consolidated Financial Statements	• The new Egyptian Accounting Standard No. (42) *"The Consolidated Financial Statements"* was issued and accordingly Egyptian Accounting Standard No. (17) *"The Consolidated and Separate Financial Statements"* has changed to become *"The Separate Financial Statements"*. Pursuant to the new Egyptian Accounting Standard No. (42) *"The Consolidated Financial Statements"* The control model has changed to determine the investee entity that must be consolidated.	Retroactive amendment to all the comparative figures of the consolidated financial statements and financial information presented.
	• Accounting for the changes in the equity of the parent company in a subsidiary are accounted for as transactions with equity holders in their capacity as equity holders. • Any Investment retained in a former subsidiary re-measured at fair value at the date when control is lost and recognize any resulting difference in the Income Statement. • Losses applicable to the Non-Controlling Interest "NCI" in a subsidiary including component of Other Comprehensive Income are allocated to the owners of the holding entity and the NCI even if this causes the NCI to have a deficit balances.	Currently, the management is assessing the potential impacts on its consolidated financial statements resulting from application of the standard.

New or amended standards	Summary of the most significant amendments	Possible impact on the financial statements
Egyptian Standard No. (18): Investments in Associates	• The accounting treatment of the joint ventures shall be added to this standard accordingly, the Investments in associates and joint ventures shall be accounted for that investments using the equity method in the Consolidated and Individual Financial Statements.	Retroactive amendment to all the comparative figures and financial information presented.
	• The entity shall discontinue to use the Equity method from the date when its investment ceases to be an associate or a joint venture provided that the retained interest shall be re-measured using the fair value and the difference shall be recognized in the Income Statement . • If an investment in an associate becomes an investment in a joint venture or vice versa, the entity continue to apply the Equity Method and does not re-measure the retained Interest. • If an entity's ownership interest in an associate or a joint venture reduced, but the entity continues to apply the Equity Method, the entity shall reclassify to profit or loss the proportions of the gain or loss that previously been recognized in OCI relating to that reduction in Ownership interest.	Currently, the management is assessing the potential impacts on its financial statements resulting from application of the standard.

New or amended standards	Summary of the most significant amendments	Possible impact on the financial statements
Egyptian Standard No. (44): Disclosure of Interests in Other Entities	• A new Egyptian Accounting Standard No.(44) "Disclosure of Interests in Other Entities" was issued in order to comprise all the required disclosures pertaining to the investments in subsidiaries, associates, joint arrangements, and the unconsolidated Structured Entities. • The objective of this standard is to comply the entity to disclose the information that enable users of its financial statements to evaluate the nature and risks associated with its interests in other entities and the effects of those interests on its financial position, financial performance, and cash flows.	Retroactive amendment to all the comparative figures for the disclosures presented.

53. Financial instruments and management of related risks:

The Company's financial instruments are represented in the financial assets and liabilities. Financial assets include cash balances with banks, investments and debtors while financial liabilities include loans and creditors. Notes to financial statements includes significant accounting policies applied regarding basis of recognition and measurement of the important financial instruments and related revenues and expenses by the company to minimize the consequences of such risks.

53.1 Market risk

Market risk is defined as the potential loss in both on and off financial position resulting from movements in market risk factors such as foreign exchange rates, interest rates, and equity prices.

Market risk is represented in the factors which affect values, earnings and profits of all securities negotiated in stock exchange or affect the value, earning and profit of a particular security.

According to the company's investment policy, the following procedures are undertaken to reduce the effect of this risk.

- Performing the necessary studies before investment decision in order to verify that investment is made in potential securities.
- Diversification of investments in different sectors and industries.
- Performing continuous studies required to follow up the company's investments and their development.

53.2 Foreign currencies risk

- The foreign currencies exchange risk represents the risk of fluctuation in exchange rates, which in turn affects the company's cash inflows and outflows as well as the value of its assets and liabilities in foreign currencies.
- The company has revaluate assets and liabilities at the financial position date as disclosed in foreign currency accounting policy.

53.3 Risk management

In the ordinary course of business, the Group is exposed to a variety of risks, the most important of which are liquidity risk, interest rate risk, currency risk, credit risk and market risk. These risks are identified, measured and monitored through various control mechanisms in order to price facilities and products on a risk adjusted basis and to prevent undue risk concentrations.
The independent risk control process does not include business risks such as changes in the environment, technology and industry. They are monitored through the Group's strategic planning process.

53.4 Credit risk

Credit risk is the risk of a person or an organization defaulting in the repayment of their obligations to the Group in respect of the terms and conditions of the credit facilities granted to them by the Group. The management minimizes this risk by spreading its loan portfolio overall economic sectors and by adopting appropriate procedures and controls to evaluate the quality of the credit facilities granted and the creditworthiness of the borrowers. The credit risk of connected accounts is monitored on a united basis. In addition, the effective credit appraisal procedure for examining applications for credit facilities followed by the Group, adopts as the main criteria the repayment capability and obtaining sufficient collateral. The continuous monitoring of credit accounts and the timely preventive action further minimize, to a large extent, the exposure to credit risk.

53.5 Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal and stress circumstances. To limit this risk, management has arranged diversified funding sources in addition to its core deposit base, manages assets with liquidity in mind and monitors future cash flows and liquidity on daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure additional funding if required.

The Group maintains a portfolio of high marketable and diverse assets that can be easily liquidated in the event of an unforeseen interpretation of cash flow. In addition, the Group maintains statutory deposits with the Central Banks.

The liquidity position is assessed and managed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and to the Group in specific. The Group maintains a solid ratio of high liquid net assets in foreign currencies to deposits and commitments in foreign currencies taking markets conditions into consideration.

53.6 Interest rate risk

Interest rate risk stems from the sensitivity of earnings to future movements in interest rates applied on assets and liabilities.

The Group's management closely monitors interest rate fluctuations on a continuous basis and ensures that assets and liabilities are matched and re-priced in a timely manner. The Group is exposed to interest rate risk as a result of mismatches or gaps in the amounts of assets and liabilities that mature or are re-priced in a given period. The most important source of interest rate risk derives from the lending, funding and investing activities, where fluctuations in interest rates are reflected in interest margins and earnings.

53.7 Equity price risk

Equity price risk is the risk that the value of a portfolio will fall as a result of change in stock prices. Risk factors underlying this type of market risk are a whole range of various equity (and index) prices corresponding to different markets (and currencies/maturities), in which the Group holds equity-related positions.

The Group sets tight limits on equity exposures and the types of equity instruments that traders are allowed to take positions in. Nevertheless, depending on the complexity of financial instruments, equity risk is measured in first cash terms, such as the market value of a stock/index position, and also in price sensitivities, such as sensitivity of the value of a portfolio to changes in the underlying asset price. These measures are applied to an individual position and/or a portfolio of equity products.

53.8 Operational risk

Operational risk is the risk of direct or indirect loss due to an event or action causing failure of technology, process infrastructure, personnel, and other risks having an operational risk impact. The Group seeks to minimize actual or potential losses from operational risk failure through a framework of policies and procedures that identify, assess, control, manage, and report those risks. Controls include effective segregation of duties, access, authorization and reconciliation procedures, staff education and assessment processes.

53.9 Fair value of financial instruments

The fair value of the financial instruments does not substantially deviated from its book value at the financial position date. According to the valuation basis applied, in accounting policies to the assets and liabilities.